



Roman coins found in Chinese tomb

Libya jails scores in security sweep

MERSA MATRUH, Egypt (R) — Libyan security forces has arrested scores of traders, shop owners and a senior government official in a nationwide anti-corruption sweep, Libyans arriving in Egypt said on Sunday. They said Libyan leader Muammar Qadhafi last week set up "purification and security" police squads to jail and seize the goods of people suspected of boosting their income illegally. The head of the government's drug enforcement wing in Benghazi, Colonel Nouri Isba'a, was also arrested and taken along with the others to the western coastal town of Tajura, the travellers said. They said the government was targeting goldsmiths, money exchange bureaux and export and import shops all over Libya. Communication between the provinces was cut to ensure the sweep's success, they added.

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Official urges Israel to import more from U.S.

TEL AVIV (R) — A senior U.S. trade official on Sunday urged Israel to increase imports of American products and lift certain barriers which hurt U.S. imports. Stuart Eizenstat, undersecretary for international trade at the U.S. Commerce Department, said U.S. goods account for only 19 per cent of Israel's overall imports, far less than imports from the European Union. "Nineteen is much too low and it ought to be considerably higher," he told reporters at the start of a three-day visit to Israel. Earlier on Sunday the central bureau of statistics said Israel's trade deficit with the United States, excluding diamonds, widened 73 per cent in the first half of 1996 from a year earlier to \$1.3 billion.

Yemen to strip detained diplomat of citizenship

SANAA (R) — Yemen on Sunday said it would strip a Yemeni detained in Cyprus in a fake money investigation of his citizenship. An Interior Ministry official said Yemen would "cancel and withdraw" the passport of Tariq Hussein Mahmoud. The official said Mr. Mahmoud was a Palestinian who had acquired Yemeni citizenship. Mr. Mahmoud and his wife were detained by Cyprus police last month on suspicion of possessing counterfeit dollar bills. He had identified himself as Yemen's cultural attaché in Prague after he was detained, a Cyprus police source said.

N. Delhi denies Rao phone tap

NEW DELHI (R) — The Indian government on Sunday denied reports that Prime Minister H.D. Deve Gowda's government was tapping the telephones of Congress Party leaders, including former Prime Minister P.V. Narasimha Rao. The Times of India and Asian Age said in front-page lead stories on Sunday the telephones of several leaders of the Congress Party, whose support is needed by the minority government, were being tapped by intelligence officials. "Union Home Secretary K. Padmanabhaiah has described reports in a section of the press that certain government agencies are tapping the telephones of some political leaders and others as a total fabrication," the government said in a statement. "The home secretary has further said that there is no element of truth in the press reports and these are malicious and motivated," the statement said.

Egypt's police arrest 2 militants

CAIRO (R) — Egyptian police said on Sunday they have arrested two leading militants in raids in their hideouts in southern Egypt. An Interior Ministry statement said police on Saturday caught Ahmed Mahmoud Al Khouli, 31, in Beni Suef province and Hani Bakheet Mansour, 19, in Assiut province. It said both men were prominent in the military wing of the militant Al Gama'a Al Islamiya, which has been fighting since 1992 to overthrow the government and set up a strict Islamic state. Khouli was wanted for trying to kill a policeman and for attacking Christian Egyptians, the ministry added. Mansour had been involved in a number of violent attacks, it said.

Jordan Times

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Government presents programme to modify subsidies

By a JordanTimes Staff Reporter



Abdul Karim Kabariti

AMMAN — The government on Sunday unveiled the details of its programme to substitute the present form of subsidy for bread and animal feed with a new method that provides the public and live stock breeders with direct financial compensation for the expected increase in prices. Addressing the Lower House of Parliament Prime Minister Abdul Karim Kabariti reassured his government's commitment to continue subsidising basic food commodities but stressed the need for changing the method of providing the subsidy in order to avert increased deficits in the fiscal budget and heavy

sources should be tapped to cover the deficit. "The government should find other sources like increasing customs duty on luxury and non-essential goods as well as cigarettes and the work permit fees of non-Jordanians," demanded Islamic Action Front (IAF) party member Bassam Emoush. "We must direct our farmers to increasing cereal production instead of tomatoes." Another IAF member, Hammam Saeed, accused the government of succumbing to the dictates of the International Monetary Fund (IMF). Increases in the price of bread, which is a strategic commodity, will result in increase in the price of 100 other items, he said. Mr.

Saeed echoed Mr. Emoush's call to find other sources to meet the deficit that would rise in the fiscal budget from the continued subsidies of basic food stuffs. Deputy Abdul Rahim Ekour criticised the government's decision to increase the price of fodder, and warned that the prices of all dairy products, meat and poultry will eventually sky rocket with the most severe consequences to the poor and the limited income groups. See page three for major excerpts from Prime Minister Kabariti's address to Parliament. Other IAF party members presented demands ranging

from rationalisation of public spending in order to save funds to importing cereals from Sudan and other Arab and friendly countries to be bartered for Jordanian manufactured products. Centrist deputies like Abdul Raouf Rawabdeh, who spoke on behalf of the National Front that groups four political parties, asked that the government spread the increase in prices over three years and link the price index to the wages starting by hiking the price of bread to 150 fils per kilo as a first step. Under the government's plan a kilo of bread set at 250 fils, up from 85 fils. But the government said that each Jordanian will be entitled to JDI.28 a month



Islamic Action Front deputies Ahmad Khofahi (right) and Hammam Saeed listen to Prime Minister Abdul Karim Kabariti's speech in Parliament on Sunday (Reuters photo) to be paid through the banks or directly from institutions employing them. Mr. Rawabdeh also demanded the government (Continued on page 7)

Netanyahu arrives today for talks on peace process and bilateral ties

By P.V. Vivekanand Jordan Times Staff Reporter

AMMAN — Israeli Prime Minister Benjamin Netanyahu today pays a one-day visit to Jordan, his first after taking office in June, and the Kingdom's leadership is looking forward to clearing most outstanding issues on the bilateral front during his talks here. High on the agenda for Mr. Netanyahu's talks here is also potential means to break the deadlock in the Syrian-Israeli and Lebanese tracks of peace talks as well as to revitalise the Palestinian-Israeli negotiations on the final status of the West Bank and Gaza Strip. "Much ground has already been covered in advancing the implementation of the provisions in the Jordanian-Israeli peace treaty," said an official. "We expect definite decisions to emerge during Mr. Netanyahu's visit," the official told the Jordan Times. The official would not elaborate, but the reference was obviously to the delay in fulfilling Israel's obligations to Jordan under the October 1994 peace treaty, particularly in providing water to the Kingdom. Also of concern to Jordan are reports that the government of Netanyahu might

backtrack on an agreement reached on converting Aqaba airport as a joint facility to serve both countries. Also expected to be raised today's talks are bureaucratic obstacles that Israel has placed in the way of Jordan's trade with the Jewish state as well as the Palestinian territories. In an interview with Israel Television over the weekend, Mr. Netanyahu implicitly admitted that there were such hurdles but said they need to be addressed. Comments by Jordanian officials indicated that they were highly optimistic that significant progress could be made in all the outstanding issues between Jordan and Israel on a bilateral level during the Likud leader's visit here today (see related story on page 9). "In all his private and public comments and in diplomatic contacts, Mr. Netanyahu has reiterated his keen interest in building strong relations with Jordan," asserted an official source. "We have assurances that all pending bilateral issues will be given serious attention very soon." In a pre-election interview with the Jordan Times, Mr. Netanyahu affirmed that he sought to

maintain strong relations with Jordan and was committed to moves to strengthen economic ties with the Kingdom. "We have no problems with Jordan, and building the Jordanian economy is in Israel's interest as much as it is in Jordan's," he has said. On the political front, His Majesty King Hussein is expected to discuss with Mr. Netanyahu the outcome of talks he held with Syrian President Hafez Al Assad in Damascus on Saturday. No detail has emerged from the five-hour talks in the Syrian capital. Most of the discussions were held between the King and President Assad behind closed doors. However, it is believed that one of the key topics that the King and President Assad discussed was a so-called Lebanon-first option under which Israel is reportedly offering a unilateral withdrawal from South Lebanon (see page 12). The King told reporters upon his return home that he was not carrying any message from President Assad to Mr. Netanyahu but that he stood ready to offer whatever help he could offer if asked to do so in the cause of comprehensive peace in the region. On the Palestinian-Israeli



Benjamin Netanyahu

front, Jordan will raise the issue of a recent Israeli government decision to lift restrictions on building settlements in the West Bank and seek explanations from Mr. Netanyahu, according to the sources. "First indications are that the move is a policy statement rather than an operative decision," said the official source. "We will be seeking to know what exactly the decision means." Analysts believe that Mr. Netanyahu, despite his hardline statements against the basic Palestinian demands for a final peace accord with Israel, is fully aware that he would have to relent sooner or later. These analysts see Mr. Netanyahu's pointed exclusion of hawkish Ariel Sharon and others like him from any powerful cabinet post as a clear pragmatic signal and indicates the (Continued on page 7)

U.S. said probing possible Iran link to TWA downing Tehran complains to U.N. of U.S. campaign, seeks action to prevent 'dangerous moves'

WASHINGTON (Agencies) — U.S. intelligence officials are concentrating on a possible Iranian link to the downing of TWA Flight 800 off New York. Time magazine reports in its latest edition. "There's a hard look being taken at the Iran possibility," a senior intelligence official told Time, adding, however, that the intelligence gathered so far was "vague, nothing solid." The magazine quoted an intelligence source as saying the Central Intelligence Agency had tracked calls and transmissions out of Tehran that "have raised suspicions" of an Iranian connection to the July 17 crash that killed 230.

The magazine also says the Federal Bureau of Investigation (FBI) was interested in recent movements by an alleged Iranian-backed Hezbollah member named Hussein Mikdad because the accident offered a rare glimpse into Hezbollah tactics and bomb-making techniques. On April 4, Mikdad took a Swissair flight from Zurich to Tel Aviv with bomb parts hidden in a carrying bag. Eight days later he blew off both his legs and one arm when a bomb he was making blew up in his East Jerusalem hotel room. Iran warned Sunday of the dangers of the mounting U.S. campaign against the Islamic republic and called for the United Nations to take immediate action. Foreign Minister Ali Akbar Velayati sent a letter to U.N. Secretary General Boutros Ghali accusing Washington of "looking for an excuse for adventurism against and confrontation with Iran."

"We call on the U.N. to act immediately to prevent such threats, notably bold proposals for military action against Iran, which will have dangerous consequences," he said, quoted by Iran's official news agency IRNA. Iran is "deeply concerned over the continuation of U.S. hostilities," and the United States "alone is responsible for the consequences from this dangerous move," the minister added. U.S. Defence Secretary William Perry spoke on Friday of an "international connection" — possibly involving Iran — in the June 25 bombing of a U.S. military housing complex in Saudi Arabia. He warned the United States would take "strong action" if there were concrete proof of third country involvement. Mr. Perry charged that Iran was at the forefront of international terrorism. "They are certainly the leading candidate for international terrorism (Continued on page 7)"

Israel orders Palestinian deputy to close his office in 24 hours

TEL AVIV (AFP) — Israeli authorities on Sunday gave a Palestinian deputy 24 hours to close an office he has set up in his home in East Jerusalem where he meets with his constituents, police said. Police handed Hatem Abdul Kader a warning that if he failed to comply with the order, the office in the Beit Hanina district would be shut by force. But the elected deputy on the Palestinian self-rule council slammed the move as "illegal" and said he intended to appeal against it to Internal Security Minister Avigdor Kahalani. Mr. Abdul Kader denied his office was in any way linked to the Palestinian National Authority, saying he was using it to meet with his constituents who came to see him with a variety of problems and requests. "Police have no right to stop me welcoming at home people who voted for me and who want me to work on their behalf," he said. "Arab residents in Jerusalem come to see me to resolve disputes between families over land rights. Yesterday I managed to get a suitable lawyer for one poor person. I want to help people not

to have turn to Israeli authorities to solve their internal problems." Mr. Abdul Kader added that people had been coming to see him for months since he was elected in January's historic elections "at all hours of the day." "The only thing that has changed, and which the Israelis are angered by, is that I have fixed regular hours during which I will see them." Since he opened his office on Thursday, he has set opening hours between 9:00 a.m. to 2:00 p.m. and 6:00 p.m. to midnight. Israel has barred the PNA from carrying out any political activities in East Jerusalem, and Israeli Prime Minister Benjamin Netanyahu said the self-rule authority "had solemnly pledged to abstain from any government activity in Jerusalem." Israeli authorities first ordered the office to be closed Thursday, but Mr. Abdul Kader shut only for the holy day of Friday before defiantly reopening again the next day. On Saturday and Sunday six people who tried to seek help from Mr. Abdul Kader were stopped and questioned by Israeli police. The Jewish state consid-

ers the whole of Jerusalem as its capital, including the eastern sector which Israel seized in the 1967 Middle East war. The Palestinians want East Jerusalem as the capital of a future state of their own. Mr. Netanyahu reaffirmed Sunday his position that Jerusalem would never be divided again. He said the Palestinians had violated a pledge not to open government offices in the disputed city. "The Palestinian Authority made a solemn commitment to prevent the operation of any governmental activity in the capital of the Jewish state," Mr. Netanyahu told an Israel bonds meeting. "We are witnessing as we speak a violation of that solemn commitment. We insist that commitment be kept," he said, adding he had issued orders to shut the office immediately. Orient House, the Palestine Liberation Organisation's unofficial headquarters in East Jerusalem, has been tolerated by the Israelis as long as it is not used to host foreign visitors of the rank of foreign minister and above.

Arafat frees 23 Hamas prisoners in an effort to stem West Bank anger

TULKAREM (Agencies) — Palestinian leader Yasser Arafat released 23 Hamas prisoners here on Sunday to stem anger in the West Bank where militants threatened an uprising against his self-rule authority. "President Arafat ordered the release of 23 Hamas detainees and they have been freed," the governor of Tulkarem, General Ezzedin Sharif, told reporters. In another gesture, he declared a militant of the Islamic Resistance Movement (Hamas) who was shot dead by Palestinian police on Friday to be a martyr, making his family eligible for financial help from the authorities. The killing sparked protests in this West Bank town during which around 60 prisoners escaped. But they surrendered to police the next day. "Among those released are people who run away and gave themselves up, as well as others who did not escape. They are all Hamas mili-

tants," said the governor. A senior Israeli military official, meanwhile, raised fears of an explosion of violence in the West Bank after Hamas called for an uprising against Mr. Arafat's self-rule authority. "The organised chaos of Mr. Arafat is preferable to total anarchy which could well impose itself," the official told army radio. The radio said "the military apparatus in Israel is worried by a possible escalation of violent protests against the Palestinian National Authority (PNA) in the north of the West Bank which could spread to the centre and south of the territory." Apart from Hamas member Ibrahim Al-Hadaya killed on Friday, another Palestinian died two days earlier after being tortured by police in the West Bank town of Nablus, where demonstrators also took to the streets. In a statement released late Saturday, Hamas warned:

"Hamas considers the events in Tulkarem and Nablus as the beginning of a popular uprising against the Palestinian Authority." The militant group, which claimed responsibility for a wave of deadly suicide bombings in the Jewish state earlier this year, accused Mr. Arafat of "selling out to the Israeli occupiers." Hamas called for the release of its members held in Palestinian jails, hundreds of whom have been rounded up under pressure from Israel since the suicide bombings. Three Palestinian policemen were given long prison sentences on Saturday after a hasty trial, also ordered by Mr. Arafat, for the torture of prisoner Mahmoud Jemayel who died. Israeli Prime Minister Benjamin Netanyahu has agreed to an extension of the mandate of the international observer force in the powder-dusted West Bank town of Hebron, officials said Sunday.

Around 30 Norwegian observers from the Temporary International Presence in Hebron (TIPH) were deployed in the town in May charged with dampening Israeli-Arab tension. TIPH's mandate expires on Aug. 12, but the PNA has also called for the force to be kept in place. The mandate has been discussed in detail over the past few days by a senior official from the Israeli foreign ministry, Eytan Ben Tzur, and Palestinian Minister for Local Affairs Saeb Erakat, the officials added. The Israeli army was due in March to withdraw from four-fifths of Hebron, the last West Bank town still under Israeli control where 400 Jewish settlers live among 120,000 Palestinians. But the decision was delayed by the previous Labour government in Israel after a wave of suicide bombings in the Jewish state in February and March that left 58 people dead.

Iranians still in northern Iraq — Kurd rebel leader

CAIRO (AP) — Iranian forces that pushed into northern Iraq last week to blast Kurdish rebel bases are keeping contingents in the area for further offensives, an Iranian Kurdish guerrilla leader said Sunday.

Abdullah Hassan Zadeh, leader of the Kurdistan Democratic Party in Iran (KDPI), also described the Iranian onslaught as a total failure "from a military point of view," but he said it left hundreds of villagers homeless.

"Thousands of Iranian Revolutionary Guards penetrated 50 kilometers into Iraqi territory to strike at the guerrillas of Mr. Zadeh's KDPI last week, claiming the exiled guerrillas were using their Iraqi bases as launching pads against Iran."

"Their only success was to destroy villages where our fighters and their families live and make thousands of them homeless," he told the Associated Press in a telephone interview from a base in northern Iraq.

He said that no guerrillas — better known as "Peshmargas," or those who face death — were killed in the attacks but that the Iranians sustained some 11 casualties in last week's three-day incursion.

The region is inside a safe haven in northern Iraq established by the U.S.-led allies after the 1991 Gulf war to protect Kurds from Iraqi government attacks.

But Mr. Zadeh said the allies, who operate daily reconnaissance flights over Kurdistan, should protect the

Kurds against Iranian attacks as well.

The KDPI has been waging an armed struggle for autonomy since 1940, but Iran has steadfastly opposed the idea. Iranian officials announced that the military's latest operation in Iraq ended on July 29.

But Mr. Zadeh said Sunday that the Iranians remain in at least four Iraqi areas, including the provincial capital of Erbil.

Mr. Zadeh, who succeeded two rebel leaders killed by Iranians in the past eight years, said the troops still in Iraq probably are preparing for assassination attempts against KDPI officials. He said the number of the Iranian troops could be "in the hundreds," but he could not give an exact figure.

He said some 2,000 Kurds are now homeless, camping in front of a U.N. office in Erbil and in dire need of food and shelter.

"They cannot go back to their villages because they fear the Iranians will attack them again," he said. "Somebody should find a solution."

Mr. Zadeh also accused the Patriotic Union of Kurdistan (PUK), one of the main Iraqi Kurdish groups controlling the area, of helping the Iranian military. But he also said the PUK forces did not participate in the fighting.

On Sunday, the London-based Arabic daily Al Hayat said the two groups signed an agreement Friday under which the KDPI will stop all its attacks on Iran in exchange for the PUK protection of its leaders.

Mr. Zadeh said while his party accepted not using Iraqi territory for attacking Iran, the group's fighters would continue their struggle against Iran's government using their bases inside that country.

The PUK has good relations with Iran, which controls most of the trade over its border with the Kurdish enclave.

Iran has a Kurdish minority of some four million within its population of 60 million. Iraq, Turkey and Syria also have Kurdish minorities and have resisted attempts at Kurdish autonomy over the years.

Meanwhile a statement received in Dubai from the PUK said it had reached an agreement with the KDPI to stop cross-border raids.

It said the agreement was forged "following a series of meetings between the leadership of the PUK and the KDPI to discuss implications of the recent Iranian military incursion into Iraqi Kurdistan."

The PUK statement said the KDPI "will be assured freedom of political and organizational activities in Iraqi Kurdistan," adding that the PUK "will accord the KDPI with the required facilities to ensure the security and livelihood of its members."

The PUK said it hoped the agreements will "assure Iran's security concerns" and that it would "mitigate justification for future Iranian incursions into Iraqi Kurdistan."



Turkish honour guards and Hodjas, religious leaders in Islam, lower the white shroud covered remnants of Enver Pasha, during a reburial ceremony in Istanbul on Sunday to honour Turkey's enigmatic World War I leader (Reuters photo)

'Young Turk' buried in Turkey 74 years after death

ISTANBUL (AP) — The body of a Turkish nationalist hero was reburied here in a state ceremony Sunday, exactly 74 years after he was killed in Tajikistan fighting Russia's Red Army.

President Suleyman Demirel led full military and religious funeral proceedings for Enver Pasha, a prime figure of the Young Turk movement which deposed the Ottoman Sultan Abdul Hamid II to safeguard what was left of a crumbling empire.

His return to Turkish soil signifies the exoneration of a man accused of treachery, criticised for his adventurism but also revered for his Turkish nationalism.

The move also is a sign that Turkey is coming to terms with its history, at least in some areas, and follows an easing of civil conflict in Tajikistan, one of the newly independent former Soviet Turkic

republics where Turkey is seeking influence. "With all his faults and merits, Enver Pasha is an important figure of our history," Mr. Demirel said. "There is a general agreement that he was a true patriot, a nationalist, an idealist and a very honest soldier."

Enver, known by the Ottoman title pasha given to generals, ruled the empire between 1912-1918 in a triumvirate of generals and took Turkey into World War I on the side of Germany.

With Turkey's defeat and large casualties, Enver fled the country in a German submarine.

In exile, Enver first sought Moscow's backing for a plan to depose the regime of modern Turkey's founder, Mustafa Kemal Ataturk and later pursued his dream of uniting the Muslim Turkic people of Central Asia.

He reorganised and led

the Muslim Basmachi gangs in "Central Asia against the Red Army and was killed on Aug. 4, 1922, aged 41, by an onslaught of 100,000 Soviet troops sent to quell the Basmachi revolt.

Enver's body was taken out of its grave some 200 kilometers east of the Tajik capital Dushanbe, and flown to Turkey on Saturday. He has been laid back to rest in a memorial park here along side fellow "Young Turk" army officers.

Turkey officially requested a search for his body in September. The grave was found in a mountainous region with the help of the son of a man who had buried him.

"Enver Pasha's longing for the homeland and years in exile have finally come to an end," Mr. Demirel said.

Court rejects appeal by Rabin's assassin

TEL AVIV (AP) — Israel's supreme court rejected an appeal Sunday by Yitzhak Rabin's convicted assassin, saying the killer was "decisive and cold-blooded" when he gunned down the prime minister last fall.

Yigal Amir, a 26-year-old former law student and ultra-nationalist, was sentenced in March to life in prison for Mr. Rabin's murder.

"In a criminal trial you need reasonable doubt" to overturn a verdict, Judge Eliezer Goldberg said, reading the decision of the three-judge panel. "Doubt does not exist in any form in this case."

Amir, who was in the 12th day of a hunger strike to protest conditions at the Beersheba prison where he is being held, did not attend the ruling. It was the first time he has missed a court appearance.

"I'm disappointed," Defence Attorney Shmuel Fleishman said of the court decision. "I'm sure that if we hadn't been speaking about the murder of the prime minister the court would have acted differently."

In the appeal, Amir's lawyers argued that there

could have been a second gunman, and that Amir was unbalanced and irrational and could not be held accountable for his actions.

The court dismissed the arguments, focusing on the incriminating testimony given by Amir himself.

"I'm happy he is dead because he was a traitor to his country and died a traitor," Amir said of Mr. Rabin at his appeal hearing in July.

During his trial, Amir repeatedly said he had intended to maim Mr. Rabin or kill him if necessary to stop him from giving land to the Palestinians as part of the peace process. Amir confessed to the killing moments after he fired two bullets into Mr. Rabin and a third into his bodyguard.

The defence asked the court to reduce the murder charge to manslaughter and requested that his six-year sentence for wounding the bodyguard be served concurrently with his life sentence for murdering Mr. Rabin. Both pleas were rejected.

Amir is being tried separately with his brother Hagai and friend Dror Adani for conspiring to kill Mr. Rabin and attack Arabs.

NEWS IN BRIEF

Plane lands in Israel after bomb scare

TEL AVIV (R) — A Lot Polish airlines plane landed in Israel after making an emergency stopover in Cyprus spurred by a bomb scare. Israeli airport and Lot officials said on Sunday. It landed at 9 a.m. (0600 GMT), a spokeswoman for Israel's Ben-Gurion airport told Reuters. A Lot spokesman said all passengers had boarded the flight in Larnaca and the plane landed without incident in Israel. "Everything is okay," the Lot spokesman said. Israeli passengers had at first refused to board the Lot Boeing 737 to continue their flight from Warsaw to Tel Aviv after it had been ruled free of bombs in Larnaca. Israel Radio said. The plane landed at Larnaca airport at 2:32 a.m. (2332 GMT). "The plane was searched and nothing suspicious was found," the officer on duty at Cypriot police headquarters in the Larnaca district told Reuters.

Japan rotates peacekeepers in Syria

DAMASCUS (AP) — Twenty-two Japanese troops have arrived to replace compatriots who had completed a six-month assignment with a United Nations peacekeeping force on the Golan Heights. Two more batches will fly in on Aug. 17 and Aug. 24 to relieve 45 Japanese who joined the 1,000-strong U.N. Disengagement Observation Force (UNDOF) in February — Japan's first contribution to the Middle East peacekeeping force. Participation in UNDOF marked only the fourth time that Japan has sent troops abroad since the passage of a 1992 law that allows Japanese participation in peaceful U.N. missions. Formed in 1974, UNDOF monitors the cease-fire line between Syrian and Israeli forces established following the October 1973 Middle East war.

U.S. F-16 crashes on landing, pilot ejects

DUBAI (AFP) — A U.S. F-16 fighter jet crashed on Saturday while landing at the Dhahran air base in Saudi Arabia, but the pilot ejected and escaped injury, the U.S. embassy in the Saudi capital said Sunday. The F-16 from the 34th fighter squadron crashed when it "came in for landing and the pilot bailed out," Samir Koutab, the embassy's counsellor for public affairs, told AFP when contacted in Riyadh. An investigation was underway into the cause of the crash. Mr. Koutab said he did not know what kind of mission the pilot had been on, but U.S., French and British pilots leave the Dhahran air base for flights over southern Iraq to enforce a three-year flight ban. U.S. and Saudi officials last week began moving the air operations at the King Abdul Aziz air base in the Dhahran-Khobar area to a more secure base south of Riyadh, in the wake of the June 25 bombing at Khobar towers.

Kuwaitis start election campaign with focus on vote for women and parties

KUWAIT CITY (AP) — Campaigning is getting under way here for October elections, but deputies and analysts say Kuwait's democracy must be strengthened by giving women the vote and making political parties legal.

"We don't have a full democratic process here. We have a restricted democratic process — still the government holds almost all the cards, still women are not allowed to vote," said political scientist Ghannim Al Najjar.

When the 107,000 eligible Kuwaiti voters gather at polling stations at a date to be set in October, they will all be men and will represent just 15 per cent of Kuwait's citizens.

Political parties are banned in Kuwait, so deputies in the 50-seat elected parliament or national assembly must officially campaign and speak as individuals against the unified voice of the government's 16 ministers.

Campaigning is mainly done through evening male gatherings, or diwanis, where can-

dicates hold an open house for their prospective constituents with copious amounts of food and soft drinks.

Abdullah Al Taweel, a liberal candidate, is issuing fly-sheets listing his background and aims, but as a first-time candidate said campaigning is tough without the support of a political party. "Democracy without parties is not democracy as far as I am concerned," he said. No other country in the Gulf has anything approaching Kuwait's freely elected parliament, but there are calls from each end of the political spectrum to develop Kuwait's democratic credentials.

"We are for enlarging the electoral base, whether giving women the right to vote or stand as candidates, or lowering the electoral age from 21 to 18," said liberal Deputy Abdullah Al Naibari.

His call is echoed by Islamist Ismail Al Shatti. "If a bill will be on our voting agenda, we will vote with (enfranchising) women," said Mr. Shatti, who like Mr. Naibari, will be a can-

didate in the October poll. "A parliamentary committee drew up a report on female enfranchisement earlier this parliament, but it was never put before deputies to debate. Mr. Naibari said the move is mainly opposed by tribal deputies and the government.

A range of other issues have been raised in similar fashion by some Islamist and liberal MPs alike, such as wiping out the budget deficit, improving government services and tackling corruption, even if deputies differ on how to achieve their goals.

But one of the main difficulties faced by reformist deputies of any political hue is how to muster enough support to challenge the government without the discipline of political parties to draw deputies together.

"One minister can stand and talk in the name of 16 ministers, while no one member can talk in the name of anyone but himself. That's power," explained Mr. Najjar, professor of political science at Kuwait University.

JORDAN TIMES DAILY GUIDE AND CALENDAR

ity readings: Amman 42 per cent, Aqaba 40 per cent.

USEFUL TELEPHONE NUMBERS

NIGHT DUTY AMMAN:

Dr. Jamal Jbarah 847351

Dr. Abbas Al Hakim 885446

Dr. Arafat Al Ashhab 602507

Dr. Ayman Al Muhtaseb 785748

Ferdows pharmacy 778336

Al Asema pharmacy 637055

Nairoukh pharmacy 636760

Yacoub pharmacy 644945

Shmeisani pharmacy 637660

Nairoukh pharmacy 847632

Najib pharmacy 847632

IRBID:

Dr. Ahmad Qam 281484

Al Quds pharmacy (—)

ZARQA:

Dr. Ya'coub Al Khatib 991772

Khalifeh pharmacy 985417

EMERGENCIES

Food Control Centre 637111

Civil Defence Department 661111

Civil Defence Immediate Rescue 630341

Civil Defence Emergency 199

Rescue Police 192 621111, 637777

Fire Brigade 617101

Blood Bank 775121

Highway Police 843402

Traffic Police 896390

Public Security Dept. 630321

Hotel Complaints 605800

Price Complaints 661176

Water & Sewerage Complaints 897467

Amman Municipality Complaints 787111

Telephone Information (directory assistance) 121

Overseas Calls 010230

Central Amman Telephone 623101

Repairs 661101

Abdali Tel. Repairs 773111

Radio Jordan 774111

Water Authority 680100

J. Electricity Authority 815615

Electric Power Co. 636381

RJ Flight Information 08-53200

Queen Alia Intl. Airport 08-53200

Al-Muasher Hospital 6672279

The Islamic, Abdali 66612637

Al-Ahli, Abdali 6641646

Italian, Al-Muhajreen 7771013

Al-Bashir 77511126

Army, Marka 89161115

Queen Alia Hospital 60224050

Amal Hospital 674155

The Arab Centre for Heart and Special Surgery 865199

ZARQA:

Zarqa Govt. Hospital 09983323

Zarqa National Hospital 09900560

Ibn Sina Hospital 09986732

Al Hikma Modern Hospital 09990990

IRBID:

Princess Basma Hospital 02127555

Greek Catholic Hospital 02127275

Ibn Al Nafees Hospital 021247100

AQABA:

Princess Haya Hospital 031314111

FOR THE TRAVELLER

QUEEN ALIA INTERNATIONAL AIRPORT

This information is supplied by Royal Jordanian (RJ) information department at the Queen Alia International Airport Tel.

108153200-5, where it should always be verified. Information on other flights are supplied on phone 08 (52700)

ARRIVALS

Royal Jordanian (RJ) Flights

08:15 Sanaa (RJ)

09:00 Damascus (RJ)

09:30 Jeddah (RJ)

10:10 Beirut (RJ)

10:20 Dubai, Abu Dhabi (RJ)

11:00 New Delhi (RJ)

15:00 London (RJ)

17:20 Cairo (RJ)

17:45 New York, Amsterdam (RJ)

18:20 Rhodes (add) (RJ)

19:00 Bangkok (RJ)

23:00 Madrid (add) (RJ)

23:25 Casablanca (RJ)

04:10 Jakarta, Kuala Lumpur (RJ)

Other Flights

11:45 Khartoum (SD)

13:40 Shariqah, Bahrain (GF)

14:30 Kiev (6U)

15:00 Vienna (OS)

18:30 Athens, Istanbul (QT)

20:35 Cairo (MS)

20:55 Paris, Damascus (AF)

21:10 Beirut (ME)

22:00 Tel Aviv (LY)

23:30 Athens, Beirut (OA)

01:20 Amsterdam (KL)

05:40 London (BA)

JORDAN TELEVISION

Tel. 773111-19

PROGRAMME TWO

15:05 Adventure On The Rainbow Pond

15:30 Richie Rich

15:45 Playabout

16:15 Gillette World Sport

16:30 Bustin's Loose

17:00 French Programmes

19:30 News Headlines

19:35 Milner Fenwick

20:00 The Hypnotic World Of Paul McKenna

20:30 Matlock

21:10 Doc — Puha Sapa

22:00 News in English

22:25 The Bold and The Beautiful

23:10 Mancuso

PRAYER TIMES

04:21 Fajr

05:48 (Sunrise) Duha

12:42 Dhuhur

16:22 Asr

19:35 Maghreb

21:02 Isha

CHURCHES

St. Mary of Nazareth Church Sweifheh, Tel. 810740

Assemblies of God Church Tel. 63785

St. Joseph Church Tel. 624590

Church of the Annunciation Tel. 637440

De la Salle Church Tel. 661757

Terra Sancta Church Tel. 622366

Anglican Church Tel. 652826

Armenian Catholic Church Tel. 771331

Armenian Orthodox Church Tel. 775261

St. Ephraim Church Tel. 771751

Amman International Church Tel. 652526

Evangelical

rejects appeal
in's assassin

Home News



WOMEN PROTEST THE LIFTING OF SUBSIDIES: More than 100 women stage a one-hour sit-in in front of Parliament Sunday to protest against the impending government decision to float bread prices. Parliament Sunday held a special session to debate the government decision (Photo by Rana Hussein)

Kabariti: Government adopted best solution to subsidies problem

AMMAN (Petra) — Prime Minister Abdul Karim Kabariti told Parliament Sunday that the economic reform programme applied in Jordan since 1989 has been instrumental in enabling the Kingdom to achieve real economic growth estimated at 6.5 per cent in the Gross Domestic Product this year. He also said the deficit in the fiscal budget went down from 24 per cent in 1989 to 4.1 per cent in 1996.

In an address to the Lower House of Parliament during a special session held to debate the government's plans of floating bread prices, Mr. Kabariti said that the economic reform programme has also helped the country to rebuild its foreign currency reserves and stabilise the exchange rate of the Jordanian dinar and has kept inflation rates around four per cent this year, down from nearly 26 per cent in 1989.

Following are major excerpts of Mr. Kabariti's address:

Allow me once again to present to you the government's plan for changing the method of subsidy on bread and to compare developments that resulted in an economic crisis in the 1980s to the present situation and the results of the economic reform programme begun in 1989.

1- Jordan has achieved real growth in its Gross Domestic Product (GDP) estimated at 6.5 per cent this year compared to a decline in growth estimated at 13.5 per cent in 1989.

2- The government reduced the deficit in the fiscal budget from 24 per cent in 1989 to 4.1 per cent this year.

3- The Kingdom succeeded in rebuilding its foreign currency reserves to levels sufficient to finance imports for three months, while the coffers were in the red in 1989.

4- The country succeeded in curbing inflation, keeping it down at four per cent this year down from 26 per cent in 1989.

5- It reduced the foreign debts to less than 100 per cent of GDP this year down from nearly 200 per cent in 1989.

6- It reduced the overall consumption rates in GDP terms which helped the country to increase its local savings to 15 per cent for this year, compared to minus four per cent in 1988. This has led to a rise in the rate of investments to 33.4 of the GDP in 1996.

The positive achievements could not have been realised without the reform programme, which allowed Jordan to receive financial assistance from the world community and creditor countries which rescheduled Jordan's foreign debts and gave the country soft loans that contributed to its monetary, financial and economic stability.

The recurrent deficit in the fiscal budgets constituted the main reasons for the economic crisis towards the end of the 1980s. Public spending in excess of revenues forced the successive governments to cover the deficit through borrowing, which brought in further debt burdens and gradually depleted the Kingdom's foreign currency reserves. The successive governments in the past six years have, however, succeeded in continually reducing the deficit and by the end of the year the deficit will hopefully stand at no more than 3.8 per cent of the GDP.

You realise that the present government is committed to the economic and social reform programme and hopes to retain the same living standards through subsidising basic foodstuffs despite price increases on the world markets.

But the government has found out that continuing subsidies in their present form have led to imbalances caused by:

1- Abuse of subsidised commodities, especially wheat which was used by some as animal feed in view of its relatively low price.

2- Increases in consumption of subsidised commodities per capita consumption increased to a level 150 per cent higher than levels in other developing countries.

3- Subsidies benefited sectors which do not deserve them.

4- Subsidised foodstuffs have been smuggled to neighbouring countries.

These imbalances led to the importation of different amounts of imported commodities coupled with increases in pressure on the Kingdom's foreign currency reserves. The increase in the cost of subsidy has led to a higher budget deficit.

This year, the government has allocated JD 38 million to subsidise foodstuffs and animal feed and cereal production but the amount proved insufficient to cover the first quarter of 1996, largely due to the major hikes in prices on world markets. The wheat prices rose from \$132 a tonne in 1995 to \$276 a tonne this year while the price of barley rose from \$75 a tonne in 1995 to \$175 in 1996. The prices of other commodities increased by at least 20 per cent over the 1995 figures.

In light of this sharp rise in prices, coupled with increases in consumption of these commodities, maintaining the subsidies at their current level would have required JD 180 million which would have meant incurring a budget deficit of JD 124 million. This means increasing the deficit from 3.8 per cent to 6.8 per cent of the GDP. This would have been the highest rate reached throughout the past five years. This situation has prompted the government to re-examine the subsidy system. The following alternatives to the current system of subsidies were considered:

1- Increasing bread prices in one go or gradually without offering compensation for the difference in price. But the government concluded that this would increase the burden on the low income groups.

2- Employing the food coupons for bread but this idea was found to be difficult to apply on a daily basis.

3- Producing a low-quality loaf but this idea was ruled out on the grounds that it would create negative social impact.

4- Covering the deficit in the budget that would ensue from continuing to subsidise the bread in the present form by increasing the sales taxes or increasing the price of fuel. This idea was later discarded because it would cause sharp rise in inflation rates and would overburden the poor sectors.

The government has finally decided that the best method of dealing with this issue would be changing the form of providing the subsidy, offering direct financial assistance to the public. That method would ensure that there will be no wastage or smuggling of subsidised commodities. To carry out this plan the government has drawn up specific measures that were found most convenient for the public and these include the following:

1- Offering each citizen JD 1.28 a month except for the recipients of the assistance from the National Aid fund (NAF) who would receive JD 2.080 a month.

2- Distributing the subsidy to different sectors as follows: Military personnel, civil servants, military and civilian pensioners and pensioners on the pay roll of the Social Security Corporation will have their compensation for the bread prices, added to their salaries. Workers in other institutions, will also receive the compensation added to their salaries but other citizens can obtain the financial subsidy from 379 post offices which offer the postal savings services in addition to eight major banks which together have 410 branches around the Kingdom.

To facilitate matters to the Jordanian citizens, beneficiaries should produce family books which determine the number of family members entitled to the subsidy. As for residents from Gaza, they can produce their Jordanian passports to receive the subsidy.

3- Livestock breeders keeping up to 100 sheep will be entitled to JD 6 for each head of sheep.

The government has found that this plan will be the best and most convenient to deal with the consequences of the floating of bread prices and fodder prices although it should be noted here that this plan will only reduce the deficit in the fiscal budget by one quarter of its original amount.

The private sector will be allowed to import these basic commodities and sell them freely but not beyond a ceiling to be fixed by the Ministry of Supply while the livestock breeders will be allowed to export sheep.

I would like to reaffirm that this plan has been prepared in response to pressing needs and emanated from the government's deep sense of heavy responsibility towards the Kingdom and to the interests of the Jordanian people.

Seminar on agriculture opens

AMMAN (Petra) — The Ministry of Agriculture Sunday opened a two-month training seminar for nine officials employed by Yemen's agricultural extension service.

The seminar, which is organised in cooperation with the Rome-based UN Food and Agriculture Organisation (FAO), will train participants in agricultural extension techniques.

The participants will make field trips to agricultural projects in various parts of Jordan, according to engineer Khaldoun Sbeih, director of the Ministry of Agriculture's Extension and Information Department who opened the seminar.

EDF president presents Queen Noor with restored Mafrag antiquities

AMMAN (J.T.) — The President of Electricité de France (EDF) Edmond Alphandery Sunday presented to Her Majesty Queen Noor 17 Umayyad bronze figurines that were uncovered by the excavations of the French Biblical and Archaeological School of Jerusalem at Al Dedein near Mafrag and underwent restoration in France.

Queen Noor gave a Petra plaque to Mr. Alphandery on behalf of the Minister of Tourism and Antiquities Saleh Irshaidat and expressed her pride in Jordanian-French cooperation and commitment to the preservation of world heritage and inter-cultural exchange.

According to the Director-General of the Department of Antiquities Ghazi

Bisheh, EDF has also undertaken the conservation and consolidation of the Dead Sea copper scrolls in addition to the Mafrag figurines, the most spectacular of which is the bronze and iron brazier decorated with plaques and winged griffins presently located at the Amman Archaeological Museum.

EDF is involved in researching means of diminishing the effect of weathering on Petra's rock-cut facades as well as organising and financing the exhibition on Jordanian antiquities at the Institut du monde arabe in Paris and then in Rome.

The exhibition is part of the 1997 Jordanian Year in France, which has evolved

from discussions over the past few years between Queen Noor and Madame Jacques Chirac to introduce Jordanian contemporary art, handicrafts and history to the French and European public.

The Jordanian Year will feature series of cultural events that include an exhibition of traditional Jordanian handicrafts at the famous Grande Magazine Le Printemps as well as a contemporary art exhibition by Jordanian artists that will be held at the prestigious Hotel de Ville in the centre of Paris. The "Archaeology and Science" exhibition will include reconstruction of excavations at major archaeological sites in Jordan, highlighting excavation and analysis techniques, a reproduction of the Babylonian stele found near Tafleh, a presentation on the Hellenistic site of Iraq Al Amir, a 3-D computer simulation of the temple of Zeus in Jerash, the conservation of the mosaics of the Madaba region and restoration of the renowned Umayyad frescoes of Qusayr Amra.

Dr. Irshaidat, Dr. Ghazi Bisheh, French Ambassador to Jordan Bernard Bajonet, the French Cultural Counsellor Agnes Romatet, EDF Director of Cultural Patronage Division Marc Albouy, Director of the French Archaeological School of Jerusalem (IFAO) Marcel Sigrist attended the meeting with the Queen which took place at Al Ma'wa Palace.

Meeting discusses family planning

AMMAN (Petra) — Minister of Health Aref Bataineh Sunday opened a meeting on new contraception technology, stressing that birth spacing and safe motherhood can help Jordan and other Third World countries reduce maternal and infant mortality rates.

Dr. Bataineh cited a recent World Health Organisation (WHO) report which found that pregnancy complications were responsible for 10 to 30 per cent of maternal death in developing nations, compared to two per cent in industrial nations.

The meeting, which was organised by the University of Jordan in cooperation with WHO and the US Agency for International Development, highlighted new contraception methods and discussed family planning in Jordan and guidelines for the improvement of child delivery services in the country.

Dean of the Medical Faculty at the University of Jordan Mahmoud Abu Khalaf said the Kingdom has achieved considerable development in the health sector, notably in providing primary health care services.

Theodore King, who represented the WHO at the meeting, said that through primary health care, family planning and birth spacing, the country can expect to improve its standard of living. He maintained that contraception is necessary to achieve that goal.

Officials point to strong possibility of arson in Zarqa storehouse fire

By Rana Hussein
Special to the Jordan Times

AMMAN — Officials Saturday revealed that an act of arson caused the fire that Tuesday gutted a storehouse in the Zarqa Free Zone, causing more than one million dinars in damages.

But the investigation made by a committee formed to look into the cause of the fire has not been completed yet and results are expected in days, one source said.

"We are almost certain that the fire was set off intentionally because investigations revealed that the blaze started in different areas of the storehouse, which rules out the possibility of an accident," the official told the Jordan Times Sunday.

However, he added that

officials are still trying to determine what caused the fire.

"We have sent samples of burning materials to the criminal lab to try to determine what caused the blaze," the official said.

The blaze, which engulfed one of the two storehouses in the area at around 8:00 p.m., caused extensive damages to the storehouse contents.

The contents included flammable substances, such as firecrackers and chemicals, which Civil Defence Department (CDD) officials said exploded intermittently and caused the flames to spread to different sections of the warehouse.

According to CDD reports, four fire-fighters were injured during the three-hour fire. They are listed in good condition.

Man found dead in canal

Meanwhile, Irbid police are waiting for forensic results to determine whether a 55-year-old man, whose body was found floating in the King Abdullah Canal, drowned or was murdered.

Police and CDD reports said bystanders at the canal saw a body floating at the water surface and informed the authorities.

"We are hoping that autopsy results will give us clues to try to identify the man and determine whether he drowned or was killed and then thrown into the canal," a CDD official said.

Kingdom faces bleak future over water

By Jack Redden

AMMAN (R) — Residents of Amman receive water twice a week through the long hot summer, water levels across the Kingdom are falling, and the oasis well that sustained Lawrence of Arabia is drying up.

The country is running out of water. The arithmetic is brutal. Every year Jordan uses about 900 million cubic metres of water but nature replaces only about 650 million cubic metres.

The gap is filled by taking water from the ground, including fossil water thousands of years old. Before the last of the dwindling supplies are taken, pollution and overpumping will have destroyed many of the aquifers.

"The picture is very, very bleak," hydrologist Elias Salameh said as he spread out charts in his University of Jordan office. Lines registering water levels at each well showed a relentless decline.

"It developed gradually from the mid-1980s until now. I think something like 1.0-1.5 billion cubic metres has been taken and not replaced," he told Reuters.

"The collapse will not come at one go — one aquifer after another will be destroyed."

In a region where every-one faces high temperatures and little rainfall, Jordanians suffer the most. They do not have the rivers of Lebanon or the money of Saudi Arabia to pay for desalination. Jordanians use a mere 85 litres of water a day in their homes, compared with about 300 litres in the Gulf states or Israel.

Despite the deepening problem for the country which is burdened with a population growth of about 3.5 per cent per year, there is little sign of drastic steps to head off a crisis. The



THE OASIS BEFORE IT DIED: Due to over-pumping to meet the country's increasing need of water, the Azraq oasis is drying up (file photo)

numerous foreign aid projects to increase supply may postpone the day of reckoning but will not eliminate it.

"They need radical management, radical decisions," said Dr. Salameh, who wants irrigation curbed drastically now rather than later when nature will dictate it. "With this soft management they will end up destroying the country."

The 1994 peace treaty with Israel was touted as one solution by a government that boasted Jordan would receive 235 million cubic metres of additional water each year. The total came from numerous schemes, even a desalination plant, that have yet to materialise.

Under the treaty an Israeli-Jordanian committee was to have found an

extra 50 million cubic metres of drinking water per year for Jordan's thirsty population by last October. There is still no agreement.

Another solution eyed by the government lies beneath desert sands in the far south. The Disi aquifer, containing water dating to the end of the last ice age, might provide about 100 million cubic metres of water a year.

Unfortunately, that supply is needed most in Amman, where even well-off areas of the capital receive running water only two days a week. A study completed at the end of June estimated a pipeline would cost \$750 million. Water and Irrigation Minister Samir Kassar hopes that cost, equal to an eighth of Jordan's annual GDP, will be picked up by private investors.

But even Disi, schemes

under the peace treaty and current projects like renewing the water pipes in Amman to stop losses estimated at up to 60 per cent, will not end the water deficit. Jordan will continue to use more water than it receives.

More drastic steps, such as curbing irrigation either directly or through sharply higher water prices, face formidable political problems.

Licences for wells have been handed out with little concern for the impact: The number of wells near the rapidly contracting Azraq oasis where Lawrence of Arabia once operated rose from about 50 to some 700 this decade.

Metering of water from wells has only begun recently and Mr. Kassar said his ministry did not yet have figures. But the minis-

ter, himself a wealthy landowner, said he was confident it was cutting waste and rejected calls for slashing the portion of water going to agriculture.

Jordan, with unemployment conservatively estimated at about 15 per cent, cannot employ those whose farms would disappear, Mr. Kassar said.

"People should help us to get water supplies from the region," Mr. Kassar said, placing his hopes of a more equitable division of the Middle East's water resources.

No country appears willing to share such a vital resource. Israelis and Palestinians claim the same water, Syria and Turkey argue over the flow of the Euphrates River and Syria takes much of the Yarmouk River water before it reaches Jordan.

Sri Lankan forces renew assault on Tamil rebels

COLOMBO (Agencies) — Sri Lankan troops backed by tanks and air support renewed a thrust against Tamil Tiger rebels in the north Sunday as authorities braced for a flood of refugees fleeing the fighting, military and aid officials said.

Air force bombers and helicopter gunships pounded rebel positions as troops resumed their advance at dawn from northern Paranthan towards rebel-held Kilinochchi, 229 kilometres north of Colombo, after a week-long lull, a military spokesman said.

"Troops having advanced about one and a half kilometres have now come under terrorist resistance," he said.

Liberation Tigers of Tamil Eelam (LTTE) rebels were using mortars, rockets and small arms, he said adding that there was no immediate word on casualties.

Aid officials said they were preparing 35 schools in and around the frontline town of Vavuniya, 70 kilometres south of Kilinochchi, to accommodate the anticipated influx of refugees.

"We estimate almost 200,000 people have been displaced by the latest fighting," said an aid official. "We expect some of them to come to army-held areas and we're planning to send food to the others (in rebel-held areas) today."

Most refugees were still hiding in the jungle, he said.

Government troops launched a major offensive on Kilinochchi on July 26, forcing most of the town's 150,000 people, including many refugees who escaped earlier fighting in Jaffna, to flee.

The offensive was launched shortly after the army's worst defeat of the war in which some 3,000

guerrillas overran the Mullaitivu base on the northeast coast, killing or capturing almost the entire garrison of more than 1,000 men.

The International Committee of the Red Cross last week followed other Western aid agencies in leaving Kilinochchi.

The rebels moved their headquarters to Kilinochchi in April after the military retook the Jaffna peninsula, which the rebels ran as a mini-state for almost a decade.

The government says the LTTE's war for an independent homeland for minority Tamils in the Indian Ocean island's north and east, now in its 14th year, has cost more than 50,000 lives.

The LTTE Saturday allowed 200 shaken and hungry refugees to move south to army-held areas in Vavuniya for the first time in two weeks.

The move paved the way for truckloads of food and medicine to reach tens of thousands of refugees in the northern Wanni mainland, most of which is under rebel control.

Some 200 lorries laden with food have been stranded in Vavuniya for more than two weeks since the border was closed.

The LTTE allowed the civilians to cross no-man's-land Saturday, a day after the Sri Lankan Red Cross brokered a deal between the army and the LTTE to let food convoys reach the refugees.

Though the army has agreed to gradually ease travel restrictions from the north, it remains concerned that rebels may infiltrate and had stipulated that youths aged between 15 and 35 would not be allowed to pass for the time being.

Meanwhile, the estranged brother of President Chan-

drika Kumaratunga Sunday called for her to step down and a national government headed by their prime minister mother to be created to end Sri Lanka's ethnic war.

Opposition legislator Anura Bandaranaike in remarks published Sunday said his sister was "disorganised" and unable to provide leadership to the military drive against Tamil Tiger guerrillas or to revive the economy.

Mr. Bandaranaike, who defected from the family's Sri Lanka Freedom Party (SLFP) after losing a bitter succession battle to his sister in 1993, said she could be given a diplomatic posting if she agreed to step down.

President Kumaratunga, who describes herself as a "reformed socialist," came to power nearly two years ago ending a 17-year reign of the right-wing United National Party (UNP), which for a brief period made her brother a cabinet minister.

Anura Bandaranaike said unity between the two majority Sinhalese parties in the country was essential to battle the LTTE and salvage the war-battered economy.

Referring to the creation of a united UNP-SLFP government, he said in an interview with the Sunday Leader newspaper: "If both sides come to some consensus, then I think the possibility is there."

He said a majority of legislators oppose Mrs. Kumaratunga's leadership but approved of their mother Sirima Bandaranaike, the current prime minister, taking over as non-executive president in a united UNP-SLFP government.

Mr. Bandaranaike added that the leadership of the country could be rotated according to an agreed plan.



Julie Mangan (right), wife of Briton Keith Mangan, arrived in the remote village of Magam amid tight security, distributes pamphlets in Urdu language with an appeal for help among villagers. Julie Mangan, wife of British hostage Keith Mangan, and Jane Shelley, wife of American hostage Donald Hutchings, went to Magam to make fresh appeals to abductors of their husbands and other two Westerners, seeking release of the four tourists kidnapped by the shadowy Al Faran militant group since July 1995 while hitch-hiking in south Kashmir (Reuters photo)

Kashmir hostage saga enters 14th month

SRINAGAR, India (R) — Four Western hostages held by separatist guerrillas in Kashmir began their 14th month in captivity Sunday as the wives of two of them toured the Himalayan valley in a frantic bid to get the victims released.

"Many of our Kashmiri friends have shared our optimism and hope that our husbands are alive," Jane Shelley, wife of American hostage Donald Hutchings, told a news conference she addressed with Julie Mangan, wife of Briton Keith Mangan.

"Julie and I and other families involved hope and pray from the bottom of our hearts that this is true. But after 13 months, we need more than just a feeling. We need concrete information about our husbands' condition and whereabouts," Mrs. Shelley said.

"We have not given up hope. We ask anyone who has, or finds out, information about our husbands to search their hearts. In the name of God, please find a way to let us know," Julie Mangan said.

Mangan said and broke down into tears.

They were speaking at Srinagar, the summer capital of the troubled state of Jammu and Kashmir, where their husbands were among six people kidnapped by shadowy Al Faran guerrillas while on trekking holidays in two separate incidents over four days in early July 1995.

One of them, American John Childs, escaped. Norwegian Hans Christian Ostro was found beheaded in a forest on Aug. 13 last year. Briton Paul Wells and German Dirk Hasert are among the four who remain hostage.

"Yesterday (Saturday), I should have been celebrating the 11th anniversary of my marriage to Keith. Instead, Jane and I visited Kermag and Magam," Julie Mangan said.

"We did so because we wanted to appeal directly to people in villages where our husbands may have been."

The two wives flew to Magam village, some 50 kilometres south of Srinagar,

Saturday and distributed pamphlets among villagers seeking their help.

Indian and foreign experts searched Magam's forests in June after unconfirmed reports the hostages had been murdered and buried there. But they found no evidence to back the reports.

The reports added to the confusion that was created when handwritten statements said to be from Al Faran said the hostages had been taken by the Indian army after an encounter last November. The Indian army dismissed this as false.

The weekend's visit by the wives coincided with one by U.S. Ambassador Frank Wisner, who ended three days of travel in the state Saturday. It came ahead of Indian Prime Minister H.D. Deve Gowda's tour of the state scheduled Monday.

Julie Mangan and Mrs. Shelley, both wearing black "salwar-kameez" outfits consisting of long skirts and loose pants, appealed to the people of Kashmir for help.

Indian officials say Pakistani agents are behind the mysterious Al Faran, one of the several guerrilla groups fighting New Delhi's government for an independent Kashmir or union with neighbouring Pakistan.

Pakistan, which has fought two wars with India over the region it disputes, says Indian agents are behind Al Faran.

The two wives visited Pakistan last month and met Prime Minister Benazir Bhutto.

"We had a long meeting with Benazir. She promised to do everything she could to help us find out what has happened to Keith, Don, Paul, and Dirk," they said Sunday.

"We sincerely hope that this will bring a swift release, or at least hard information on their whereabouts and condition."

More than 20,000 people have been killed in six years of separatist violence in Kashmir.

A holiday fit for a king? Hardly

PALMA DE MALLORCA, Spain (AFP) — King Juan Carlos of Spain will have to revise his holiday plans, for lack of suitable transport. The royal yacht Fortuna has broken down — again. Deprived once more of his traditional summertime jaunt in the Balearic Islands because of a faulty engine piece, King Juan Carlos took it in stride, joking with reporters that he would have to take up a collection to buy himself a new boat. But the news had the Spanish press wringing its hands Sunday, with the fiercely pro-monarchy daily ABC saying: "it's one thing not to have a boat like the queen of England, but quite another to have the poor spectacle of the Fortuna and its breakdowns." It added that "Spain's dignity and the king's security" demanded a new vessel for the monarch. The pro-Socialist newspaper El Pais for its part devoted two entire pages to the matter Sunday, also comparing the Fortuna's modest 30 metres to the royal British yacht Britannia's stately 130 metres. A gift in 1979 by Saudi Arabia's King Fahd, the Fortuna's most embarrassing breakdown was in 1988 when it had to be rescued by two ignominious tugboats. Britain's Prince Charles was on board. Even former Socialist Prime Minister Felipe Gonzalez said he was concerned over the yacht's repeated breakdowns. "It's 18 years old, and most people at that age are in the bud of youth, but not boats," he said.

2nd stowaway on U.S. plane from Mongolia dies

TOKYO (R) — A young boy died in hospital Sunday from injuries suffered as he hid in a wheel-well of a U.S. Air Force plane which flew from Mongolia to Japan, the Kyodo News Service reported. He and another boy were found in the forward wheel-well of the C-140 plane when it landed at Kadana Air Base on the island of Okinawa Friday morning after a five-hour flight from the Mongolian capital, Ulan Bator. The boy, aged between eight and 10, was taken to a U.S. Navy hospital on the island of Okinawa after being found suffering from frostbite, hypothermia and hypoxia (oxygen deficiency). The other boy, believed aged about 12, was pronounced dead two hours after being found during a routine post-flight inspection. A U.S. embassy official said no one knew how or why the boys got into the wheel-well of the plane, which was on a humanitarian mission to Mongolia, delivering blankets and clothing.

Kenya bans caning in schools after pupil dies

NAIROBI (AFP) — Kenya has banned caning in schools after the death of a 16-year-old girl who was beaten until she collapsed, newspapers reported Monday. They said Director of Education Elias Njoka issued the order at the weekend after declaring that corporal punishment was "a primitive tradition that has no place in a civilised society." Caning remains a frequent punishment handed down by Kenyan courts, usually in conjunction with jail terms, for such offences as robbery and rape. Mr. Njoka said at a weekend Teacher Training College graduation ceremony that teachers should use guidance and counselling to deal with errant pupils. Sixteen-year-old Josephine Wambui, a pupil at Githungu school outside Nairobi, was one of six pupils given 15 strokes of the cane each on July 17 by three teachers, two men and a woman, for laughing at the way the woman teacher was dressed. She collapsed, and was pronounced dead on arrival at a nursing home.

Swedish premier to take up Baltic security with Clinton

STOCKHOLM (R) — How to fit the Baltic states into the new European security jigsaw without sidelining Russia will be a key topic when Swedish Prime Minister Goran Persson meets U.S. President Bill Clinton at the White House this week.

Lithuania, Estonia and Latvia are anxious to reinforce links with the West after quitting the former Soviet Union in 1991 while their neighbours want to stop the Baltic nations from falling under the Russian sphere of interest again.

All three have applied to join the European Union (EU) and are lobbying hard to enter the U.S.-led North Atlantic Treaty Organisation (NATO) which is expanding into Central and Eastern Europe — much to Russia's chagrin.

"How we handle the question of the Baltic's involvement in the NATO enlargement will be on the table at this meeting," Sweden-based U.S. diplomat Walter Andruszyn told Reuters.

"The issue of Russia and Russian sensitivity are part of this. It is the most intricate issue facing us this year."

Russia has voiced its opposition to the planned eastward expansion of NATO, a 16-member Western alliance set up in 1949 to counter a perceived Soviet threat but which has a broader security role in

Europe now, such as peace-keeping in Bosnia. In the post-cold war era, as Europe prepares a new security model for the 21st century, several countries such as Poland, Hungary, the Czech Republic and Slovakia, are jostling to join NATO with a decision likely early in 1997.

Russia's Foreign Minister Yevgeny Primakov was last week quoted in France's Le Figaro newspaper as again opposing the NATO enlargement, saying it was unacceptable to have new military infrastructures on Russia's borders.

This is a key reason for Russia's opposition to the Baltics joining NATO. Russia shares thousands of kilometres of border with the Baltics which formed the Western military flank of the Soviet Union after being occupied during World War II.

The Baltics, still home to large numbers of Russians, are viewed as strategically important in Europe's new security model, all on the Baltic Sea and militarily indefensible.

Keen to ensure they are not left in a grey area between Western allies and Russia, the Baltic nations are lobbying strongly to join NATO but their future involvement in Europe is being treated with kid gloves in order not to provoke Russia.

While Western allies pub-

licly say no country has been ruled out of NATO membership, closed doors talks suggest it is very unlikely the Baltic republics will join in the first rank of new NATO members — if at all.

However they could be involved through membership of the EU, which has an emerging, if still small, role in security issues, and this has Sweden's full support.

A Swedish diplomatic source said Sweden, which is not a NATO member and has no plans to join, said Mr. Persson was keen to see the Baltics in a European body, away from the shadow of Russia.

He would make this clear to Mr. Clinton at their 40 minute meeting Tuesday morning.

It will be the first time Mr. Clinton and Mr. Persson have met officially as Mr. Persson, a former finance minister, only succeeded Ingvar Carlsson as prime minister in March this year. The diplomat said Baltic security was high on Mr. Persson's agenda.

"Persson is pleased to do whatever he can to support the Baltics in this (NATO) process that they have started but we are not in position as a non-member (of NATO) to exert any influence," the diplomat told Reuters.

Taiwan urges peace on disputed islands

TAIPEI (R) — Taiwan President Lee Teng-Hui urged Taiwanese fishermen Sunday not to send fishing boats to the disputed Diaoyu Islands to protest against the construction of a lighthouse by a right-wing Japanese group.

Protesters had planned to leave on Aug. 11 on about 200 Taiwanese fishing boats to protest against the lighthouse being built on one of the Diaoyus, which Tokyo calls the Senkakus.

The trip was postponed after many of the fishermen suffered losses in recent typhoons.

Tokyo, Taipei and Beijing all claim the islands, which lie about 200 kilometres east of Taiwan and 300 kilometres west of the Japanese island of Okinawa.

"Handling the sovereignty problem is not that simple," Mr. Lee said on state radio, replying to one fisherman who visited the presidential office. "We

should handle this peacefully."

The presidential office was open for a public visit Sunday.

Mr. Lee said Japan had sent fishery officials to Taiwan for talks on the simmering dispute. "Japan has sent advisers from its Fishery Department to negotiate with us," Mr. Lee said.

Patriotic passion has run high in Taiwan since the lighthouse was built on one of the Diaoyus.

2 million face famine in China prefecture after floods

BEIJING (AFP) — Almost two million people in one prefecture face famine and 380,000 of them are in desperate straits in the wake of July's devastating floods in China, an aid group said Sunday.

Some 265 villages in Liuzhou prefecture in southern Guangxi province were "completely destroyed, as if they had been bombed," said Marcel Roux, head of mission in China for the humanitarian group Medecins Sans Frontieres (MSF, Doctors Without Borders).

Of Liuzhou's 10 counties, nine had been hit with residents left short of food, drinking water, shelter and medicine.

Three counties — Rongshui, Rong'an and Sanjiang — that were home to 1.1 million people were completely devastated by floodwaters.

This area, inhabited largely by ethnic minorities, is one of the poorest in China, with an average annual income of less than 300 yuan (\$36.14).

Some 380,000 people in Liuzhou had lost everything — the waters carrying away their houses and crops, according to MSF.

"The first priority is to provide help to the 200,000 inhabitants of the 265 villages wiped out by the floods," Mr. Roux said, calling for international assistance to the victims.

"These peasants can't just leave, they have to clear out their fields to try to produce a rice harvest in the next four months."

"For the moment, people are getting 300 to 500 grammes of rice per person per day from the government or donations from aid groups. But how long can

this go on for?" Mr. Roux asked.

Medical teams are working from village to village to bring help, but often "they don't even have stethoscopes or thermometers," he said.

"Some 30 to 40 per cent of the cases are diarrhea. Other major problems are fever, skin diseases and conjunctivitis," the doctor said.

So far, feared epidemics have been held at bay. To provide immediate relief to the most desperate, MSF estimated at least \$850,000 was urgently needed.

Mr. Roux said \$300,000 was needed for plastic sheeting, if supplies are bought locally, to provide rudimentary shelter, noting that a family of five needs about 30 square metres (320 square feet).

"To build reservoirs or otherwise provide access to drinking water will require another \$250,000. On top of that we need another \$300,000 to bring in medical and surgical kits," Mr. Roux said.

"It is equally important to maintain delivery of 500 grammes of rice each day to 200,000 people over four months — that is 12,000 tonnes of rice," he said.

"And all that is only a fraction of the total need, since across the prefecture there are some 1.9 million people affected," he added.

Other regions of Guangxi were also hard hit by last month's deluge. The province is one of nine in central and southern China affected by the devastating floods.

Taiwan leader makes typhoon recovery plea

TAIPEI (R) — Taiwan President Lee Teng-Hui made a plea Sunday to all citizens to help the island recover from widespread damage inflicted by deadly typhoon Herb as rescue efforts focused on people still stranded by mudslides.

"All nationals, expand your love to help the government, society. Everybody joins in to reconstruct our homeland," Mr. Lee said on state television.

Typhoon Herb ripped through Taiwan late last week, killing at least 31 people and leaving behind millions of dollars in damage, before lashing southeastern China and receding into a tropical storm.

Thirty-five people remain missing in Taiwan. Mr. Lee opened the presidential office to the public Sunday and met with concerned citizens lining up for a chance to briefly discuss the disaster with the leader.

State television ran footage of police and military helicopters trying to help people stranded in mountain areas by landslides.

Police contain violence at annual punk protest

BREMEN, Germany (AFP) — German police questioned 75 youths Sunday after further clashes at an annual punk gathering here, but averted a repeat of widespread violence that injured hundreds and caused major damage last year.

Four police officers were injured overnight Friday during three hours of clashes with youths in this northwestern city's Osterstr district. Police intervened when more than 250 punks blocked a crossroads and began hurling stones and firebombs.

Late Saturday, witnesses said trouble started when several hundred youths blocked a crossroads in the Steintor district and began throwing stones and beer cans at police.

In all, more than 140 people were questioned over the weekend incidents but all had been released by early Sunday and Bremen returned to calm.

OS DHAB: AFP — Arab banks expected to play a key role in domestic operations and regional capital markets. The Arab Bank, a major financial institution, is expected to expand its operations in the region. The bank's expansion is seen as a positive sign for the Arab world's financial sector. The bank's expansion is seen as a positive sign for the Arab world's financial sector.

Arab oil group reports good results in 1996

OS DHAB: AFP — A report from the Arab Oil Group shows that the group has achieved good results in 1996. The report highlights the group's success in various oil-related activities and its commitment to sustainable development.

The report also mentions the group's efforts to improve its operational efficiency and its focus on environmental protection. The group's success in 1996 is attributed to its strong leadership and the support of its stakeholders.

The report further details the group's plans for the future, including its goal to increase its market share and to invest in new technologies. The group's commitment to transparency and accountability is also emphasized.

The report concludes by stating that the Arab Oil Group is confident about its future prospects and is committed to achieving its long-term goals. The group's success in 1996 is a testament to its hard work and dedication.

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Danish defence chief killed in plane crash

COPENHAGEN (R) — Denmark's defence chief was among nine people killed when a Royal Danish Air Force plane crashed Saturday as it came in to land in poor visibility in the Faroe Islands, a defence spokesman said.

The plane hit a cliffside as it approached Vagar Airstrip on the westernmost of the Faroe Islands in the North Atlantic. It was bringing a military delegation back from an official visit to Greenland and Iceland.

The defence chief, Admiral Hans Joergen Garde, 57, took over Denmark's highest military post last April. The other victims were four crew, Adm. Garde's wife and three officers, the spokesman told Reuters.

"Admiral Garde was a great personality, a professional and a major intellectual capacity whose loss leaves Denmark's defence weaker," Defence Minister Hans Haekkerup said in a statement. "Garde was one of our very finest men."

A witness to the crash told Danish State Radio's television news programme that he saw the plane suddenly shudder as it came in to land, twist round and turn upside down before hitting some of Europe's sheerest cliffs.

Fire engulfed the wreckage of the U.S.-built two-engine Gulfstream III, which is normally used to transport royalty and military leaders.

Police said there was no sign of any survivors. The aircraft's burning wreckage was scattered over a cliff face about 1.5 kilometres from Vagar Airstrip.

It was not immediately clear why the plane crashed. But the Faroe Naval Station said visibility at the time was "average to poor" with fog and southwesterly winds, increasing the problems of landing at the very short airstrip.

The British Royal Air Force built the airstrip on an island northwest of Torshavn, the Faroe capital, during World War II and it is known to be difficult to land there.

An Icelandic passenger plane crashed at the airport in 1970, killing 10 people and injuring about 30.

The windswept Faroe Islands have home rule under the Danish crown and there is a NATO presence on the island.



Danish defence chief admiral Hans Jurgen Garde and his wife were among the nine people killed when a Royal Danish Air Force plane crashed in the North Atlantic's Faroe Islands (Reuters photo)

More activists arrested in Indonesia

JAKARTA (Agencies) — Central Jakarta Police Sunday declined to say how many prisoners they were holding in connection with last week's riots, while yet more activists were detained by authorities.

"You will have to come back tomorrow," Sergeant Major Budi Santosa told an AFP journalist.

The senior officer on duty at Central Jakarta Police Station, Lieutenant Colonel Nanan Sukarna, declined to answer questions from journalists about the detainees or to provide a list of wanted activists.

Police announced Friday they had released 113 of the 246 people they rounded up during riots last weekend, because there was insufficient evidence to hold them.

Ten were still being questioned, according to Jakarta

Police Chief Major General Hamami Nata.

"The other 123 rioters will be charged with subversive articles and their dossiers are being submitted to the Jakarta prosecutor's office today," Gen. Nata was quoted as saying in the Jakarta Post Saturday.

Sources said police over the last four days arrested up to six other activists around Jakarta, including members of the Peoples Democratic Party (PRD), the group now publicly accused by authorities of masterminding the riots.

The offices of the Human Rights Research and Information Centre (PIPHAM) were raided by police at 2:00 p.m. (1900 GMT Saturday) Sunday, activist sources said.

The sources said a PIPHAM staffer and a visi-

tor from Medan, North Sumatra province, were taken by police for questioning. Their location is unknown.

Police Sunday declined to confirm the exact number of detainees or whether any new detainees had been brought to the holding centre in South Jakarta.

Three young men in a holding cell at the police headquarters who identified themselves as riot detainees were prevented from speaking to AFP by senior police officers.

Independent trade union leader Muchtar Pakpahan was Sunday still being held in a cell at the attorney general's department on subversion charges, his lawyer said Sunday.

"So far it is very vague why he has been detained and accused of subversion," Luhut Pangaribuan told

AFP.

Subversion carries a maximum penalty of death and allows authorities to detain a person for up to one year without trial.

Mr. Pangaribuan, who met with Mr. Pakpahan Friday, said his client was in good health.

Meanwhile ousted Indonesian Democratic Party (PDI) leader Megawati Sukarnoputri has been summoned but will not appear before a police probe into recent riots and will send her lawyers instead, an aide said Sunday.

Ms. Megawati received a summons Friday asking her to report to Jakarta Police Headquarters Monday to answer questions in relation to a probe into the spreading of hatred against President Suharto and the government.

No clues to fate of kidnapped aid workers in Chechenya

MOSCOW (AFP) — There was still no clue Sunday to the fate of two foreign aid workers kidnapped in the breakaway Russian Republic of Chechenya, reportedly for half a million dollars ransom.

Briton Michael Penrose, 24, and Frenchman Frederic Malardeau, 35, were snatched by six gunmen in the Chechen capital Grozny on July 27, the French organisation action against hunger said.

Action Against Hunger representative Isabelle Lestas told AFP there were no new clues as to what had happened to the two men.

A man claiming to be responsible and demanding a \$500,000 ransom telephoned Russian news organisations Saturday. But Ms. Lestas said the man had not contacted her organisation and that she had learnt of the ransom demand through news reports.

The man said he was calling from the southern Russian city of Krasnodar, but offered no proof for his claims.

The Interior Ministry of the Russian-installed local authorities in Chechenya said a delay of several days in reporting the workers' disappearance had made the investigation more difficult. Interfax News Agency reported.

After 20 months of war between the Russian Armed Forces and Chechen independence fighters in the tiny Muslim republic, many areas are subject to raids by renegade bands of soldiers from both sides.

Grozny is mostly under Russian control, but the thousands of troops are unable to prevent infiltration by Chechen rebel guerrillas.

The most widely reported incident was the disappearance on April 9, 1995 of

Frederick Cuny, a 50-year-old American specialist of the Soros Foundation. But there have been several other kidnappings and robberies of foreign workers, including journalists.

This April, two staff of the international medical aid group Medecins Sans Frontieres (MSF-Doctors Without Borders) were kidnapped in Grozny and released the following month. The two, a Yugoslav administrator and a Russian interpreter, were abducted by an armed gang on a road outside the city.

The kidnappers were reported to have demanded \$200,000, but Medecins Sans Frontieres refused to confirm this figure, and later said no ransom had ever been paid in return for their release.

Most of the people seized by force have not been foreigners.

Russian construction wor-

kers sent to begin rebuilding the ruins of Grozny have frequently been targeted by Chechen armed groups and held for ransom money or for exchange with captured fighters.

More than 1,000 Chechens are also reported to have disappeared since the start of the war, most of them following their arrest by Russian soldiers and internment without trial in the notorious "filtration camps."

Russian forces intervened in December 1994 to topple the self-proclaimed independent regime of President Dzhokhar Dudayev.

They have since reasserted control over most of the territory, but remain confronted with several thousand separatist fighters in a war that has claimed an estimated 40,000 lives, mainly civilian.

Australian foreign policy thrown open to debate

SYDNEY (AFP) — Australia's foreign policy priority of engagement with Asia will be thrown open to debate in a study announced Sunday by Foreign Minister Alexander Downer and Trade Minister Tim Fischer.

An examination of the long-term conduct of foreign and trade policy would result in Australia's first comprehensive white paper vision statement on foreign affairs and trade and would fulfill an important election commitment, they said.

"The white paper will identify Australia's interests, examine the international environment in which Australia will pursue these interests in the future and recommend appropriate strategies for advancing these interests," Mr. Downer said.

Prime Minister John

Howard's conservative government, elected in March, has undertaken a subtle change in the rhetoric of foreign policy, to the initial alarm of some Asian countries.

While continuing to give Asian ties priority, the government made clear it would not be to the detriment of traditional alliances.

Mr. Howard elaborated on this during recent talks here with senior U.S. officials to "enhance and reinvigorate" the 45-year-old alliance between the countries, which he said did not mean downgrading links with Asia.

"We don't have to choose between Asia and the United States," he said.

"We don't have to choose between our history and our geography." A 16-member panel of top business figures, acad-

emics and former diplomats, to be chaired by Mr. Downer, has been invited to reexamine virtually all aspects of foreign relations and propose new objectives for the next century.

The panel includes former conservative Prime Minister Malcolm Fraser and former ambassador and Foreign Affairs Department Secretary Richard Woolcott.

"We are now looking well forward in trade policy through bodies such as APEC, where we are formulating trade liberalisation to the years 2010 and 2020," Mr. Fischer said Sunday.

"I will look to the white paper to suggest ways of ensuring Australia gets a better share of the growing Asian markets and of improving our position in traditional markets like the U.S. and Europe, as well

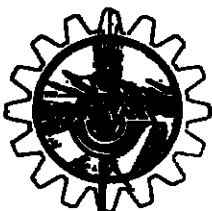
as taking advantage of opportunities in new markets in South America, the Middle East and South Asia."

Among other things, the report will examine the range of strategic, economic and political developments likely to shape the international environment in which Australia will be pursuing its national interests.

It will also recommend policy approaches to ensure national interests are advanced and assess their implications for operations of the foreign affairs and trade portfolio.

It will consider aid policy issues, although a review of the aid programme is being undertaken separately. The reports expected to be released early next year.

Hashemite Kingdom of Jordan



Arab Potash Company Ltd. Invitation to Tender No. 44/96 Salt Mushroom Dredging

The Arab Potash Company Ltd. is inviting Tenders for the works of salt mushroom dredging on its Solar Ponds containing brine with a SG of 1.270 approximately, at its site of operations at the southern end of the Dead Sea. It is expected that the volume of works will be large and may extend up to five years.

Interested companies having experience in similar works are invited to participate in this tender. The following conditions shall apply to the documents package:

1. The Tender submission closing date is 12:00 noon on Sunday 29/9/96, validity of said tender shall not be less than (120) one hundred and twenty days from this date.

2. Tenders must be accompanied by a tender security from a bank licensed in Jordan in the form of bank guarantee or an authenticated cheque valid for (120) one hundred and twenty days from the closing date of the submission of Tenders, in the value of (JD150,000) one hundred and fifty thousand JD.

3. A visit to APC Safi site is arranged to take place on Wednesday 14/8/1996, all as detailed in the tender documents.

4. The tender documents package can be purchased at a non-refundable price of (JD1,000) one thousand Jordanian Dinars, from APC Head office in Shmeisani/Amman.

Suleiman Hawari
Managing Director

Arab Potash Company Ltd.

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Ceramic Industries, M/S Sacmi sign \$10 million new factory deal

Jordan Ceramic Industries announces the signing of an agreement on July 24, 1996 to build a new ceramic factory with M/S Sacmi - Italy, the world's leading manufacturer of ceramic tile factories.

The agreement was signed in the presence of:

His Excellency Mr. Francesco Cerulli, the Italian ambassador to Jordan

Between: Mr. M. Abu Hassan - Company Chairman
Mr. Fathi Hiasat - General Manager

And: Mr. L. Tommasi, International Marketing Manager of Sacmi -Italy.

The new factory is Jordan's fourth ceramic factory, and is based on the latest technology developed in the field. The factory will cost approximately USD 10 million and will produce 1,500 square metres / day of tiles, concentrating on larger floor & wall tiles in the latest models and colour applications.

Jordan Times

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Reactivating the quest for peace

ISRAELI PRIME Minister Benjamin Netanyahu arrives here today eager to hear firsthand what His Majesty King Hussein and Jordanian leaders believe should be done to reactivate the pursuit of comprehensive peace in the Middle East region. He will also hear from the King that Syrian President Hafez Assad is committed to peace and that Palestinian National Authority President Yasser Arafat is committed to the agreements that he signed with the previous Israeli Labour government.

What the Jordanian hosts would like to hear from Mr. Netanyahu and his associates is similar pledges that the quest for peace which was started in Madrid in 1991 is still alive in Israel and that the formula of land-for-peace remains the basis of the sought-after settlement of the decades-long conflict.

We do not expect, however, that Mr. Netanyahu's visit will lead to immediate results. But we do see hope in the continuing engagement among the different parties to the Middle East problem. The visit that King Hussein made to Syria on Saturday is a significant move in this regard. Jordan, which seeks to demonstrate to the Israeli people that peace between the Arabs and the Jewish state is possible, can use its good offices with the Israelis, the Palestinians and the Syrians to keep the momentum of the peace process strong.

Israel's idea of a Lebanese-first settlement with the Syrians, which was rejected this week by the Syrian leadership, could still be modified. Israel could make a move in the right direction if it announces, as the Syrians demand, that the Lebanon-first agreement could be followed by a Golan-second deal.

That on the Syrian front, Mr. Netanyahu could use his Amman visit to announce that his government would soon redeploy its troops from the West Bank city of Hebron and that he himself would meet with President Yasser Arafat.

He also needs to reassure his Jordanian hosts, the Palestinians and the Americans that his recent decision to expand settlements in the Palestinian lands would not lead to a substantial change on the ground. We understand that the Israeli leader needs to make gestures to his coalition partners in order to consolidate his rule. But we also realise the dire need for Mr. Netanyahu to make the necessary compromises for peace in order to lift the shadow of war from the future of the region and its peoples.

ARABIC PRESS COMMENTARIES

ISRAEL'S FRESH settlement programmes in the West Bank, Gaza and the Golan Heights leave no room for guessing about the intentions of the right wing government led by Benjamin Netanyahu, said a writer for Al Ra'i daily Sunday. Mr. Netanyahu's attitude, his statements in which he rejected the formula of exchanging land for peace and his government's open drive to evict the Arab population from their land serve as a clear message to the Arab Nation that by no means can peaceful coexistence ever be achieved in this region as long as Israel is in control of Arab lands and people, noted Ahmad al Mithel. Stressing that the exchange of land for peace lies at the basis of the U.N. Security Council resolutions which formed the framework for the Madrid peace conference, the writer said that with the current actions and behaviour of the Likud-led government in Israel, there is no question about the peace process being systematically ruined on purpose so that Israel's occupation of Arab lands can be perpetuated. The writer said that Israel wants to have peace with its neighbours and at the same time keep the lands which it occupied in war, something that contradicts the basics of the peace concept and undermines the U.S. and Russian-sponsored peace process. He said that the building of settlements on confiscated Arab lands and Israel's disregard of Palestinian rights in their homeland serve as a recipe for renewed confrontations and conflict in the region.

MAHMOUD RIMAWI, another writer for Al Ra'i, hailed a visit to Syria Saturday by King Hussein, describing it as a prelude to further coordination between the leaderships of the two countries based on mutual trust. There is no doubt that coordination of steps between the leaderships in Amman and Damascus concerning the developments in the Middle East and the quest for a permanent settlement to the Arab-Israeli conflict would help them overcome the present obstacles obstructing the establishment of a comprehensive peace, said the writer. The emergence of the Likud-led government, following the Israeli general elections, has brought with it new challenges to the Arab Nation in general and the countries close to Israel in particular because, said the writer, the right wing-government in Israel is bent on implementing aggressive policies and has openly declared its rejection of the land for peace formula. The writer said that the Hussein-Assad summit was timely and was necessary to reassert Jordanian-Syrian commitment to the peace process based on U.N. Security Council resolutions. He said that the meeting, by itself, served as a clear message to Israel and its new government that the Arabs continue to form a united front in defence of their national interests.

Economic Review

The two-day weekend — quality appreciated

By Dr. Yusuf Mansur

THE BUSINESS sector has shown, understandably, some opposition in the last few weeks to the concept of a two-day weekend. Businesspeople, in fear of losing a day's worth of output per week from their workers, try to deter the public from moving towards a five-day work week. However, the seemingly convincing arguments they have put forth are evidently vacuous when subjected to close inspection.

The most intelligent claim delineated so far by business owners stated that a two-day weekend would isolate our economy from the rest of the world for four days a week, which can harm Jordan's drive for growth and development. The basic premise of their suggestion is that the Jordanian weekend would be Thursday and Friday. However, a Friday-Saturday weekend would reduce the gap with the West to three days; this is exactly the same number of days by which we are presently isolated. Furthermore, the time difference between Jordan and some Western countries, such as the U.S., means that normal working hours for Jordanians coincide with the nights or sleep hours of Americans and vice versa — and neither the U.S. nor Jordan is going to stay awake in order to further businesses ties with each other. Therefore, the isolation claim is not a good enough reason not to have a two-day weekend because it is false.

Another claim that was voiced early in the campaign against a two-day weekend was that such a lengthy weekend would harm the productivity of firms and lower their total output. Such a claim is also fallacious because firms could easily pay workers overtime and the workers would produce more. In fact, economic theory proves that overtime is a better incentive for people to work hard than a mere increase in wages. Therefore, businesses that want more output should, among other things, pay their workers overtime wages.

Another argument, which was clearly and loudly enunciated in the press, warned that such a move would increase prices and therefore make the workers worse off as their

nominal wages become reduced by the amount of the inflation. Labourers' welfare will decrease if and only if the employers decide to shift the total cost of hiring more labourers to the consumers, in terms of higher prices, without giving labourer any compensation for the increase in prices. However, the workers' welfare need not decrease if the employers increase their employees' wages by rates that are compatible with the price hikes. Furthermore, the increase in productivity created by having to spend less hours at work will provide ample compensation to the employers for losing low-productivity working hours.

"...the quantity of labour services supplied is itself determined by the stock of the abilities which the individual has acquired. Labour is the flow of services generated by a given stock of human capital. The effectiveness of this stock of human capital is itself a function of the amounts of education, training, loyalty or dedication to the enterprise, health maintenance and stability at home."

Jordanian businesses have yet to learn that longer work weeks do not necessarily mean greater or better output. Gary S. Becker, the Nobel laureate in economics from the prestigious University of Chicago, has shown in 1975 that the quantity of labour services supplied is itself determined by the stock of the abilities which the individual has acquired. Labour is the flow of services generated by a given stock of human capital. The effectiveness of this

stock of human capital is itself a function of the amounts of education, training, loyalty or dedication to the enterprise, health maintenance and stability at home. All these are determinants that can be positively affected by a socially responsible business orientation.

Additionally, labour is only one input into the production process and not the only source of input. Labour's product is dependent to a great degree on the level of capital infusion, know-how and technology that are employed in the work place. In fact, because physical capital (machines, factories) can be sold and easily transferred, unlike human capital (skill, knowledge) which can only be sold through slavery or indentured work contracts, makes physical capital a more flexible input into the production process and as a result makes a capital-intensive production process (one whose machine to labour ratio is high) more adept at meeting the challenges of the market. This is why the workers of the industrialised nations enjoy higher salaries, work less hours and produce more than their Jordanian counterparts; and this is also why Western firms, which put more capital and know-how into the production process than their Jordanian counterparts, enjoy higher profits, produce better products and more in terms of quantity than their Jordanian counterparts.

There are many advantages to introducing a long weekend concept into our labour practices, which I believe will become a practical reality in time, but to begin to understand those advantages one must come to value quality, the need for generating quality inputs and the quality of life itself. The quality of our lives and the final product is a function of the quality, and not necessarily the quantity of inputs. This is exactly what should concern our industrialists if they are to survive global competition in the next century where quality is all that counts. After all, "salt mine" work mentalities have created the "longer-working-hours" doctrine which brought about our present six-day weekend ethic.

A new taste for political pluralism in Algeria

By Amir Taheri

ALGIERS — A new buzzword in Algeria these days is taadudiyah, which means "pluralism." After almost a decade of crisis, the North African nation seems to be edging towards consensus on holding a general election within the next six months.

The cancellation of the general election of 1991, in which the Islamic fundamentalists were poised to win, unleashed the crisis that pushed the country into a cycle of violence that has claimed at least 30,000 lives.

A frequent visitor to Algeria is struck by the changed tone of the authorities and the principal opposition leaders. The latter no longer speak of boycotting any elections organised by the administration of President Lamine Zeroual, which has set aside all talk

of "eradicating" the fundamentalists like "poisonous weed in a garden."

During the past six weeks, Mr. Zeroual has held more than 200 hours of talks with leaders of some three dozen political parties, trade unions and social and cultural associations. The object has been consensus on reform of the constitution and rules for electing a new National Assembly.

There is division on the timing of the constitutional reform, but near unanimity on the need to hold a general election. A series of further talks are planned, to be followed by a "national conference" in September.

Two points must be borne in mind by anyone who wishes to understand Algeria, says Prime Minister Ahmad Ouyahia in his office. "The first is that no one can impose a model of society on Algerians. The second is that we are com-

mitted to holding elections for all remaining organs of government by the end of next year."

The pledge is welcomed by opposition leaders who have been pressing for fresh elections since 1992.

"Only pluralism can help take us out of the impasse created by decades of one-party rule," says Siddiq Dibilali, the socialist opposition leader. "There is no military solution to our problems."

The sentiment is echoed by Said Sadi, the centrist opposition leader. "Terrorism has been defeated thanks to the resistance of the ordinary people. There is no excuse for postponing the general election and perpetuating one-party rule in a new guise."

Some opposition parties boycotted last November's presidential election. The massive turnout persuaded them that Algerians are

thirsty for elections, even imperfect ones. "Almost any election is better than no election at all," says Mohammed Abu-Salim, rector of Oran University. "The national debate must be taken to the people for the final word."

There is little nostalgia for the father-knows-best regime of Houari Boumedienne, who kept Algerian politics in suspended animation. Millions of Algerians have lived and worked in Western democracies. An estimated 4.5 million have access to satellite television, often pirated. Go to any tea-house, even in a remote village, and you hear intelligent political discussion.

"We are part of the Mediterranean," says Ammina Ribahi, elected Miss Algeria last week. "We want to live like the Spaniards, the Italians and the French. Give us half a

chance and we will."

She has had more than half a chance. Her family is from a village in Um Al Bawaqi, one of the country's least developed regions. She is now in second year of medical school and is reading Faulkner and Pushkin on the side.

Algeria has been subject to two rival currents of political thought. One, from the east, has sought to efface its Mediterranean heritage, which dates back to the days of the Roman Empire.

"In every Algerian there is a Frenchman hiding," Ali Benhadj, the fundamentalist leader, told a visiting journalist in 1991. "Our task is to bring that Frenchman out and kill him."

His mirror image is provided by the "eradicationists" who dream of "de-Arabisising" Algeria. "For God's sake, why are we regarded as Arabs?" asks a

former Algerian ambassador. "Those who beat the drum of Arabism portray democracy as a Western disease. But Algeria has always been affected by currents of thought from the West."

A visitor to Algeria these days is struck by the moderation of most political actors, including fundamentalist leaders still at large.

"Even if our party is excluded, we still think that an election is a step in the right direction," says a former leader of the banned Islamic Salvation Front. "Our party could register under a new name and field candidates, or support other parties that share its concerns."

The writer is an Iranian journalist and author. This article is reprinted from the International Herald Tribune.

Terrorism — image and reality

By Gwynne Dyer

THE FORMULA is quite simple: the bigger the media pack, the tighter the world's focus on a particular event, the smaller the actual bomb has to be. Thus a primitive pipe-bomb in a knapsack that caused two deaths at the Olympics in Atlanta gets as much global coverage as the vastly bigger and more sophisticated explosive device that probably brought down TWA's Flight 800 from New York earlier this month and killed 280 people.

It is just a slight reworking of the old newspaperman's adage about "news values." The New York version goes: "one dead New York cop is as newsworthy as a dozen raped Irish nuns or a thousand Chinese peasants drowned in a flood." In Beijing, the list runs in reverse order, but the particulars are just as coarse. And terrorists make exactly the same calculation.

The whole point of terrorism is publicity, and you get more bang for the buck if you stage your attack where the public is already looking. Everybody knew that the Olympic Games were a high-profile target, and everybody was right.

But it is not just Atlanta and New York. It has been a hell of a month for terrorism. Sixty-three people were killed by two bombs on a commuter train in Sri Lanka on July 24. Nine were killed in Pakistan by a bomb at Lahore airport on July 22. Thirty-five people, mostly British tourists, were wounded by a Basque ter-

rorist bomb at Reus airport, near Barcelona, in Spain, on July 20. Thirty people were hurt in bus bombings (presumably Chechen) in Moscow in the previous week.

Run the tape back from July, and you wind past two dozen Americans killed by a truck-bomb in Dhahran in Saudi Arabia in June, and 18 elderly Greek pilgrims machine-gunned by Islamic fundamentalists in Cairo in April, and the slaughter of 59 Israelis by suicide-bomber attacks in February and March. Not to mention the horror in Oklahoma City last year, and 5,500 people injured in the poison-gas attack on the Tokyo subway in March, 1995.

They even tried to murder the prime minister of Ukraine this month. A remote-controlled bomb exploded as he crossed a bridge in Kiev on his way to negotiate with striking coalminers in the eastern Ukraine. But Pavlo Lazarenko takes the precaution of travelling in an armoured car, so he survived.

"The world begins to feel like a cross between 'Blade Runner' and 'Road Warriors,' with a script by Oliver Stone in misanthropic overdrive."

The world begins to feel like a cross between "Blade Runner" and "Road Warriors," with a script by Oliver Stone in misanthropic overdrive. If you want to stay in touch with reality, you have to keep reminding



yourself that these, too, are media events.

A useful starting point would be the U.S. State Department figures on international terrorism, which suggest not a huge upsurge in the phenomenon, but rather a steady decline.

According to the State

Department, the peak year for international terrorism, defined as "terrorism involving citizens or the territory of more than one country," was 1987, when there were 665 incidents.

By 1994, the total had halved to 322 incidents, killing only 314 people. These were the lowest figures for 23 years — i.e., since international terrorism first got off the ground in a big way in the early 1970s.

Last year saw a further fall in the number of people killed, to only 165 — equivalent to the toll of one long weekend on the highways of the United States or Western Europe. The total number of incidents was up, however, due mainly to a rash of non-lethal attacks on Turkish property in Germany and Turkey by Kurdish militants. Terrorism may moderate, but it also mutates.

This year's death toll already rivals that of all 1995, though the year still has five months to run. If the bombing of Flight 800 proves to have been an act of international terrorism, we have already more than

doubled last year's total. At best, we are passing through a major blip on the graph. At worst, we are confronting a new wave of international terrorism. But which is it?

Nobody knows for sure, but the weight of evidence suggests that this is just a temporary surge, and that the rate of international terrorism will stay low or even continue to decline. Why? Because the factors that have brought it down are mostly still in operation.

Foremost among them is the retirement from the fray of some of the most prominent agents of international terrorism. The mainstream Palestinian political movement, having bombed and hijacked its way to international recognition and direct negotiations with Israel, has long since abandoned terrorism as a political tool.

The game is not over. It will never be over. But at this point the recession in international terrorist violence is still the dominant reality. All the other stuff is mere speculation.

The Soviet Union, once a major sponsor of international terrorism, is no more. Libya's Colonel Qadhafi has been remarkably quiet since the last time U.S. bombers raided his capital. And Iraq's Saddam Hussein is also out of play.

The spread of security measures at airports and high-profile public events has helped too, though they can never guarantee perfect safety. Even more important is a changed international political environment. As the U.S. State Department's coordinator for counterterrorism, Philip Wilcox put it: "There's less ambivalence in the world today that terrorism is a crime."

And finally, there's the yawn factor. Once, when international terrorism was new, a single aircraft hijacking could dominate the global news for days. Now, it is more likely to get Andy Warhol's statutory 15 minutes, and then fade into the background.

International terrorism (and most local terrorism too, for that matter) is a by-product of the spread of mass media. It has proved to be a cost-effective vehicle for any oppressed, aggrieved, marginalised or just plain loony group that wants to make its existence and its demands known. But like all publicity techniques, it suffers from the law of diminishing returns.

The game is not over. It will never be over. But at this point the recession in international terrorist violence is still the dominant reality. All the other stuff is mere speculation.

Jordan to press Israel to deliver on trade, water

By Suleiman Al-Khalidi
Reuters

AMMAN — Jordan will press Israel's prime minister during a landmark visit Monday to lift trade barriers with the West Bank and Israel — a key to securing economic dividends from Amman's 1994 peace treaty.

King Hussein will tell Benjamin Netanyahu he expects him to act swiftly to remove bureaucratic and security barriers impeding trade with Israel and the Palestinians, officials said.

Jordan, which suffers from chronic unemployment, has been pressing Israel for over a year to dismantle these barriers.

The government needs such gestures to reassure Jordanians how peace can help to improve their lives.

"We will press him on the trade issue and we expect to see some breakthrough on that," a senior Jordanian official said.

Reactivated trade with the West Bank will have a spin-over effect on most of the sectors of the Kingdom's \$6 billion gross domestic product (GDP), only a 12th the size of Israel's, officials said.

They said that Jordan, which has lost the once

lucrative Iraqi market because of U.N. sanctions, could benefit by tapping into the export market to the West Bank and Gaza, home to two million Palestinians.

Officials say former Israeli Prime Minister Shimon Peres, beaten in May elections, advocated the economic underpinnings of peace but implemented policies that ran counter to this because of close links to Israel's influential businessmen.

Jordanian officials said once Israel lifts trade obstacles, the potential for exports to Palestinians could reach over \$200 million annually in the first few years. Jordanian exports to the Palestinians are currently very modest and consist largely of foodstuffs.

Jordan has strong links with the West Bank which was part of the Kingdom from 1950 to 1967.

Businessmen say tariff and non-tariff obstacles are preventing them from competing after Jordan ended a 46-year state of war with Israel in 1994.

"The tariff barriers, and most importantly, the logistics are obstacles that add considerable expense to the cost of my goods, thereby making them less competi-

itive," said Omar Salah chairman of the diversified Century Investment Group. He is a pioneer in exporting ready-made garments to Israel.

Jordan Cement Factories Company, targeting a key share of the West Bank's one million tonne annual market, wants to raise three fold daily shipments averaging 350-500 tonnes by directly exporting to West Bank cities.

Jordan will also pressure Mr. Netanyahu to move on water issues, on easing transport between the two countries and on freeing more than 20 Jordanian prisoners still held in Israeli jails for infiltration attempts and acts of sabotage.

The 1994 peace treaty with Israel was believed as one solution by which Jordan would receive 235 million cubic metres of additional water each year.

Under the treaty an Israeli-Jordanian committee was to have found an extra 50 million cubic metres of drinking water per year by last October. There is still no agreement.

Widening trade gap worries Seoul

SEOUL (R) — Economic planners will concentrate on containing South Korea's widening trade deficit as falling computer chip prices dent the nation's exports, a senior official has said.

"Falls in semiconductor prices have become a headache. Top priority in our economic policies will be to contain the widening trade deficit," Deputy Premier and Minister of Finance and Economy Rha Woong-Bae said on television.

President Kim Young-Sam expressed concern about the growing trade deficit and urged his economic aides to find ways to boost the competitive-

ness of South Korean exporters.

Trade officials said semiconductor exports accounted for about 18 per cent of South Korea's exports, and a fall in chip prices could seriously hurt its exports.

"We expect this year's trade deficit to reach \$8 billion instead of an earlier projection of \$7 billion, due mainly to weakening chip prices," Trade Minister Park Jae-Yoon told reporters.

The trade ministry has said that the trade deficit for the first four months of this year totalled \$45.85 billion compared to \$5.27 billion year-on-year.

Analysts said the unit price of 16 megabit, dynamic random access memory (DRAM) chips fell to \$16-\$18 in May from about \$25 in April and \$46-\$52 year-on-year.

They said South Korea's semiconductor makers may have to slash their exports to \$25 billion this year, from an earlier target of \$30.7 billion.

"If prices continue to fall, a further downward revision looks inevitable," said an analyst at Daishin Securities.

Mr. Park said the weakness of the yen, which started last August, also was hurting South Korean exports.

Egypt strikes deal with IMF

CAIRO (AFP) — Egypt said Saturday it had struck a deal with the International Monetary Fund (IMF) to annul a third and final slice of foreign debt owed to the Paris Club of financiers estimated at \$4 billion.

"An accord reached between Egypt and the IMF will be submitted to the administrative council of the international financial organisation at its next meeting," Egyptian President Hosni Mubarak told his council of ministers, according to Information Minister Safwat Al Sharif.

"Egypt only accepts what is in its interests, in the short or long term, and an agreement (with the IMF) should not present an additional burden to the citizens nor should it lead to an increase in the prices of public services or basic necessities," said President Mubarak.

President Mubarak was briefing his cabinet after meeting with IMF representatives on his recent trip to Washington, said Mr. Sharif.

The government daily Al Ahram said the deal should be signed and sealed in October.

It quoted the head of the IMF's Middle East department, Paul Chabrier, who talked of "an imminent agreement in the next two months between the IMF and Egypt."

Mr. Chabrier told the paper that an IMF team which began a visit to Cairo Tuesday had been briefed on measures taken by the Egyptian government to put into practice a new two-year programme of economic reforms.

In 1991 Egypt agreed an IMF-approved programme of economic liberalisation.

Fiscal rigour means tough times ahead for all (except the rich)

PARIS (AFP) — Following the dictates of global markets and the Maastricht treaty, the major Western industrialised nations are prescribing the same austerity cure for their populations, considered as the universal panacea against spiralling deficits.

The ingredients of this bitter potion, recommended by international economic organisations and financial markets, remain the classical ones: Freezing of welfare benefits, reduction in the number of civil servants, deregulation, privatisation of public services, and so on.

U.S. President Bill Clinton has just set an example of how this liberal orthodox works by drastically reducing state aid to his country's poorest citizens, going back on his electoral promise to reinforce social security.

With less than four months to go before the U.S. presidential elections, Mr. Clinton signed a text which could deprive millions of children of benefits, but allow him to make a fiscal saving of \$5 billion over six years.

"In Western countries we are seeing social divisions exacerbated, and it's even by doing this that you get elected: Clinton-Chirac, same struggle, same demagoguery," said French sociologist Henri Vacquin, a specialist in employment relations.

"The most shocking thing," Mr. Vacquin told AFP, "is that not only is the gap between the rich and poor growing, but we are making the poorest pay for the enrichment of the richest."

But, he added, as the social unrest in France last December showed, "pure and unadulterated liberalism is in the process of finding its limits."

Only Japan, attached to its system of traditional values, has distinguished itself by its policy of ambitious relaunch which began to bear fruit in 1995.

France, Germany, but also Belgium, Spain and Italy are all in the process of "nibbling into" the welfare system while making the most vulnerable sections of society feel guilty for receiving benefits, much to the irritation of the unions.

In France, the government recently announced that between 8,000 and 9,000 civil service posts would be scrapped, mostly in the education sector, displaying its determination to press on with the reform of the public sector despite the wave of strike action last winter.

After applying shock treatment to the social security system — loudly applauded by the financial markets — and heavily reducing payments to the retired and the unemployed to repay debt, the government of Alain Juppe has reduced the benefit given to schoolchildren at the start of the academic year.

For health-sector economist Sabine Ferrand-Nagel, "the lowering of social benefits cuts the buying power of the worse-off households and slows consumption at the risk of stifling growth."

Germany too has seen its social model turned on its head after Chancellor Helmut Kohl announced a draconian austerity programme in spring, cutting back a system of social security built with the unions.

But the off-cited social consensus on such reforms has scattered into dust: The unions have refused to accept this "catalogue of horrors," and staged Germany's biggest post-war demonstration assembling 350,000 people in

the streets on June 15.

If the end result of this plan is that businesses are granted a reduction in social costs and taxes, the price the German population has to pay is high in terms of social benefits: reduced health cover, and a rise in the retirement age for women.

In Britain, the government is considering measures which would restrict strike action and reduce the power of the unions, which has already been significantly curtailed by the reforms adopted during the eighties under Margaret Thatcher.

Faced with the highest unemployment rate in Europe, at 22.2 per cent, the conservative president of Spain, Jose Maria Aznar, is preparing a severe budget for 1997 which will demand "efforts from everyone" starting with functionaries who will see their salaries frozen.

It is the same story in Italy, where the government is looking to make savings of \$20 billion next year, after having pushed through a major reform of pensions in 1995.

In Belgium, Prime Minister Jean-Luc Dehaene is preparing to adopt the same restrictive policies with the aim of passing the strict entry criteria for the single European currency by pruning the country's social security budget.

But, warns an economist, "if all the countries reduce spending at the same time to meet the Maastricht criteria, they will be confronted with the most serious recession since World War II."

HOROSCOPE

FORECAST FOR
MONDAY
AUGUST 5, 1996

By Thomas S. Pierson,
Astrologer, Carroll
Richter Foundation

ARIES: (March 21 to April 19) Try not to force a loved one to do something which is considered inappropriate or there could be great difficulty. Invite others into your home later this evening for some fun and good conversation which you all will appreciate.

TAURUS: (April 20 to May 21) Take a new course of action today which will be pleasing to you and others you meet. See as many close friends later this evening as you can and you can all have a fun time together in each other's company.

GEMINI: (May 21 to June 21) You can handle monetary affairs wisely in the afternoon today so keep a cool head towards all decision making. Get advice later this evening from someone who knows what steps are involved in some new project for your success.

MOON CHILDREN: (June 22 to July 21) Your ego is great and you can do a great deal today towards your career activities and making your image larger. Show your close friends they mean a great deal to you by doing something very special later this evening.

LEO: (July 22 to August 21) Don't be concerned but plan a new course of action today to show off your abilities towards gaining prosperity. The evening looks good for romance, so spend this time with your mate and show as much affection as you can.

VIRGO: (August 22 to September 22) Don't neglect friends today who can bring cheer into your life and you will be very happy. Dress well, eat well at this time and you will be happy at home with your loved ones for the days ahead.

LIBRA: (September 23 to October 22) The morning today may be negative, however, it soon becomes favourable and you can make real progress for the days ahead. Later this evening will be good for you to meet with close friends and have a fun time together.

SCORPIO: (October 23 to November 21) A fellow associate could be irritated for some reason and he or she will need careful handling. A newcomer gives good advice to you for completing some new project on time and under the costs which have been calculated.

SAGITTARIUS: (Nov. 22 to December 21) A difficulty with your mate can be taken care of nicely today if you use some common sense reasoning and provide the support which he or she desires. Business goes well for you later this evening so take advantage of a good thing.

CAPRICORN: (December 22 to Jan. 20) Plan how to come to a better understanding with a fellow associate today and then please this person who can make your career activities more pleasant. Later this evening it will pay for you to show some attention towards your mate.

AQUARIUS: (January 21 to February 19) Your energies improve throughout the day today and everything will be well. Perseverance wins the day for you later this evening so keep working on some special project and you can make great strides of success.

PISCES: (February 20 to March 20) You may be a morning grouch today, however, don't vent your anger on others or you may regret your actions. The evening may be fine for romance, so take advantage of this situation with your mate.

Birthstone of August: Peridot — Golden Quartz



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

UPTYT
KREJY
UPVERY
ERKLAT

THAT SCRAMBLED WORD GAME

It's good to get away from the office to a place like this and plan.

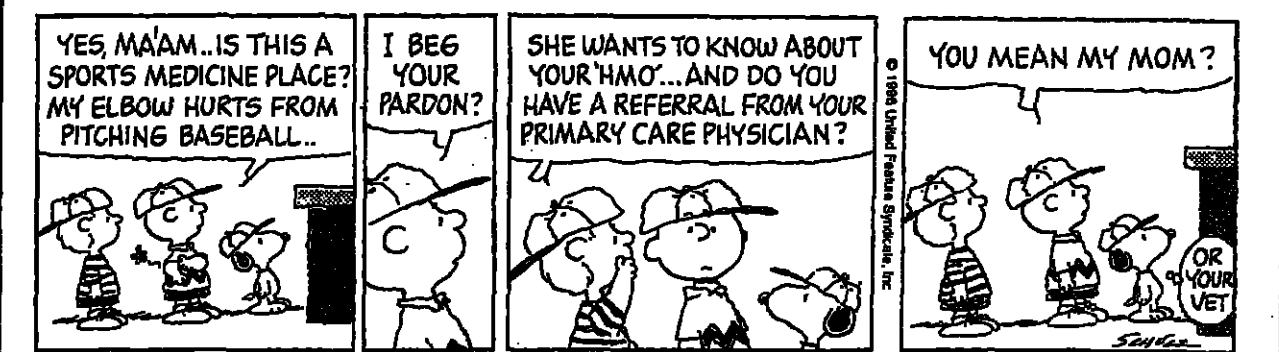


Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

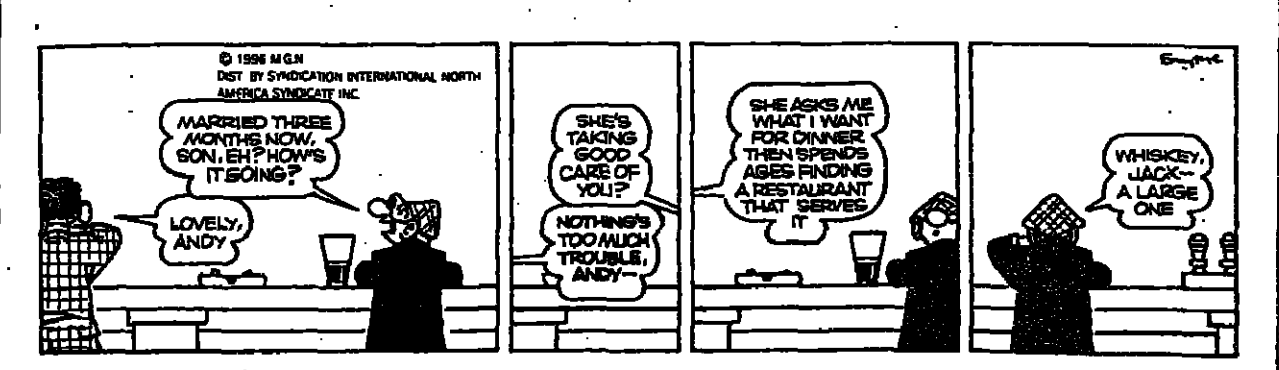
Print answer here: A

Saturday's Jumbles: TROTH LOFTY SWERVE CLOUDY
Answer: What the night club entertainer who sold carpeting gave customers — A FLOOR SHOW

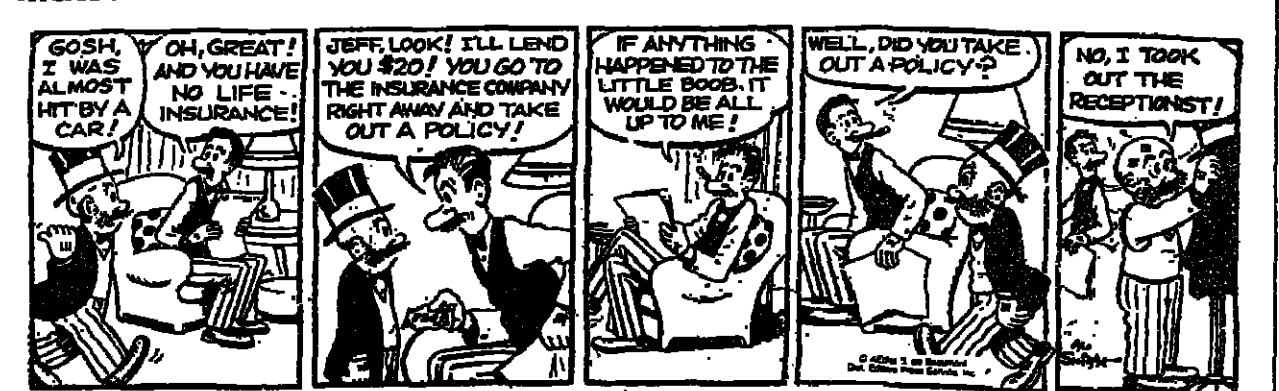
Peanuts



Andy Capp



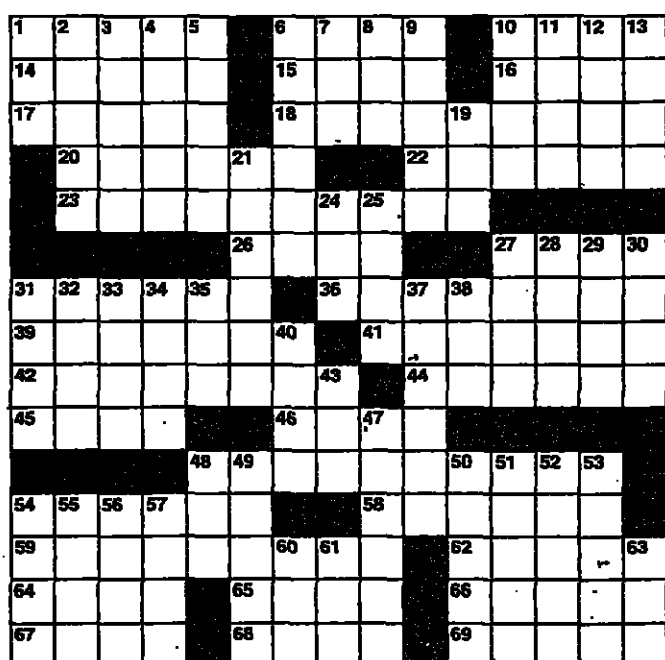
Mutt'n'Jeff



THE Daily Crossword by Chuck Deodene

ACROSS

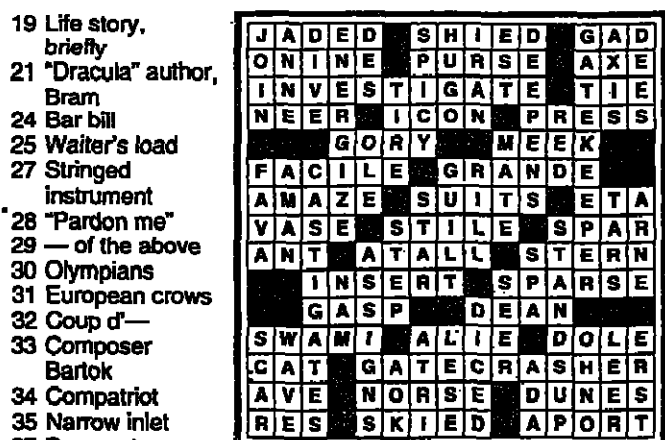
- 1 Place to exchange vows
- 6 The jig —!
- 10 Door post
- 14 Irritate
- 15 Poet Ogden
- 16 Cockeyed
- 17 Art, old style
- 18 Cartoon Great Dane
- 20 Ascend
- 22 Herbal beverage
- 23 Tennessee Williams play (with "The")
- 26 Sharif
- 27 English, e.g.: abbr.
- 31 Exit an aircraft
- 36 Hype
- 39 SoHo studio
- 41 Occurring in late December
- 42 Large marsupial
- 44 Unifying ideas
- 45 Sojourn
- 46 Films
- 48 Fuss
- 54 It has a web site
- 58 Actor McRaney
- 59 MI college town
- 62 Staggering
- 64 Cake decorator
- 65 Cacophonous
- 66 Nasty kids
- 67 Following
- 68 Italian eve
- 69 Ecclesiastical council



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DOWN

- 1 Oaf
- 2 Madagascar primate
- 3 Rhythm
- 4 Declares
- 5 Bind anew
- 6 Tailor's measurement
- 7 Plant pouch
- 8 Mil. R and R gp.
- 9 Picture
- 10 Crested birds
- 11 Alan or Robert
- 12 Satellite
- 13 Lodge letters



- 19 Life story, briefly
- 21 "Dracula" author, Bram
- 24 Bar bill
- 25 Walter's load
- 27 Stringed instrument
- 28 "Pardon me" — of the above
- 30 Olympians
- 31 European crows
- 32 Coup d—
- 33 Composer Bartok
- 34 Compatriot
- 35 Narrow inlet
- 37 Does not disrupt
- 38 — di-dah
- 40 Bakery buy
- 43 Alaskan resource
- 47 Eastern temple
- 48 Skirt edge
- 49 Eurasian peaks
- 50 Bedouins, e.g.
- 51 King of TV
- 52 NY city
- 53 — the West Wind
- 54 Husk
- 55 Walk restlessly
- 56 Holly shrub
- 57 Scoury
- 60 Caldwell of Broadway
- 61 Yours and mine
- 63 Hallucinogenic

Arab banks see wider role in domestic development

ABU DHABI (AFP) — Arab banks expect to play a stronger role in domestic development by expanding their traditional operations to include investment and other advanced activities, a top Arab banker said Saturday.

Adnan Al Hindi, secretary general of the Union of Arab Banks (UAB), said diversification of banking services would help economic reforms in regional states, develop their stock markets and attract capital.

"We expect our banks in the coming stage to indulge in investment activities along with their conventional banking operations," Dr. Hindi wrote in the United Arab Emirates (UAE) economic weekly Emirates Today.

"This will bring great benefits to the Arab capital markets, secure financing for development projects, encourage investment and

support reform programmes, which have started to produce good results," he pointed out.

Arab officials have repeatedly urged regional banks to upgrade their services to match international banks and activate the domestic economy.

The calls gained momentum after the Gulf war and the 1991 collapse of the Abu Dhabi-controlled Bank of Credit and Commerce International.

Officials and bankers said they believed the nearly 350 Arab commercial banks could play a vital role in development given their massive resources as most of them boosted their financial position following the 1988 announcement of adequacy rules by the Bank for International Settlements (BIS) for banks worldwide.

"Investment activities will help Arab banks diversify

their sources of income, boost their profits and reduce risks," Dr. Hindi said. "Diversification of operations will also secure financing for Arab development projects, which are either under way or on the cards. Consequently, this will accelerate the process of economic balance."

Dr. Hindi, whose Beirut-based UAB groups more than 90 per cent of the Arab commercial banks, said the new services should include promotion of investment opportunities in the region, purchase of new shares and selling them to the public, and issuing their own shares and bonds to attract national savings.

The banks could also extend loans to dealers in shares and bonds, cooperate with regional development institutions and promote their bonds, and set up to participate in investment

portfolios for individuals and companies.

"Financial services complement each other... bank clients now prefer to find in their banks an outlet to invest their money not only in deposits, but in bonds, securities and investment funds," he said.

"Arab banks are called upon to diversify their operations to compete with international banks, which are introducing advanced services to the regional and external markets. The Arab banks have the potential to do so," Dr. Hindi stressed.

UAB figures showed an overall growth in the financial position of the commercial banks in the 22-member Arab League over the past few years.

Their combined assets increased by around 11.9 per cent to \$911 billion at the end of 1995 while credits grew by 8.1 per cent to \$262.7 billion because of a

stronger demand by the public and private sectors. Deposits also surged by 15 per cent to around \$465 billion.

The UAB report said Arab banks were pressing ahead with plans to boost their capital in response to the BIS guidelines. Their shareholders' equities, which comprise the capital and reserves, rose to around \$69 billion at the end of 1995 from \$66.8 billion at the start of the year. "Arab banks are called upon to diversify their operations to compete with international banks, which are introducing advanced services to the regional and external markets. The Arab banks have the potential to do so," Dr. Hindi stressed.

UAB figures showed an overall growth in the financial position of the commercial banks in the 22-member Arab League over the past few years.

Arab oil group reports good results in 1996

ABU DHABI (AFP) — A joint Arab oil investment venture is performing well in 1996 as it increased loans to projects in the region and spread activity to India, the local press has reported.

The Arab Petroleum Investment Corporation (APIC), an affiliate of OPEC, said it boosted loans by 11 per cent to \$658 million at the end of May while assets increased by around \$65 million. The Damman-based APIC discussed its financial results, loans and investment operations in 1996 at a board meeting in Riyadh this month.

The board discussed various reports on financial and investment activities. Such reports reflected the good financial results achieved by APIC in the first five months of this year," the company said in a statement.

It gave no figures on the profits but said the board would meet again in September to discuss operations and new projects.

The balance sheet showed loans boosted assets to \$1.4 billion by the end of May, of which shareholders equities formed more than 40 per cent. APIC loans, part of syndicated loans provided by regional and international banks, benefited the Qatari Ras Gas Company, a Kuwaiti petrochemical project and the Indian Petrochemical Ltd. It also financed commercial deals and contributed by \$167 million to other firms.

JORDAN FINANCIAL MARKET														
HOUSING BANK CENTER AMMAN - JORDANIYAT														
ORGANIZED MARKET SHARE PRICE LIST FOR SUNDAY 04/08/1996														
PART 12 MONTHS	COMPANY'S NAME	F / S	QTY.	NO. OF	NO. OF	TRADE	OPEN	CLOSE	CHANGE					
PRICE	LOW			TRANS.	SHARES	JD	PRICE	PRICE						
250.000	205.000	ARAB BANK	11.8	1.02	4	400	85080	215.50	-40					
3.850	3.000	BANK OF JORDAN	11.0	0.00	1	500	2528	2.00	-0.00					
1.250	0.800	EDC BANK (INV. BK.)	85.0	0.00	10	31250	31460	2.00	-0.00					
2.700	2.120	INDUSTRIAL DEV. BK.	5.0	0.00	2	2000	2178	3.25	-0.00					
8.940	4.290	THE HOUSING BK.	11.8	2.14	4	850	7540	4.00	-0.00					
1.240	0.800	JOR. CREDIT BANK	5.5	7.81	5	12500	10398	0.93	-0.01					
4.140	3.300	JOR. ISLAMIC BANK	17.1	0.00	5	5350	19079	4.84	-0.00					
4.150	3.180	JOR. INV. F.N. BANK	16.8	0.00	2	800	2452	3.18	-0.00					
3.870	3.340	BEIT AL-HAL (INVEST)	1.5	0.00	2	200	605	2.41	-0.01					
1.030	0.280	AMMAN BANK INV.	0.0	0.00	43	55150	24097	1.28	-0.01					
1.680	1.030	PHILADEL. INV. BK.	0.0	0.00	0	3020	2450	1.25	-0.01					
BANK SECTOR TOTALS										INDEX: 169.64	CHANGE: +0.12	89	110120	175960
2.910	2.150	JOR. FREEMAN (INSUR.)	6.3	8.93	3	250	334	2.25	-0.01					
INSURANCE SECTOR TOTALS										INDEX: 124.08	CHANGE: +0.05	1	-0	336
1.900	1.450	JOR. ELECTRIC PWR.	10.6	7.84	12	12700	19497	1.80	-0.01					
6.780	4.650	ANAS HOTEL	17.0	0.00	2	8750	33750	5.00	-0.00					
2.370	2.080	WATN. PORTFOLIO	12.0	0.00	10	9430	10999	1.35	-0.00					
2.460	1.790	KUW. EAST HOTELS	77.1	2.00	12	11200	20145	1.40	-0.00					
1.420	0.960	SANAA EDUCATION	9.9	0.00	1	100	102	2.00	-0.01					
2.420	1.700	UNITECH (INV. BK.)	9.9	0.00	2	2250	42566	1.89	-0.01					
1.200	0.820	UNION LAMT DEV.	0.0	0.00	2	400	362	0.21	-0.01					
SERVICE SECTOR TOTALS										INDEX: 112.17	CHANGE: +0.14	70	42950	127308
27.100	18.950	JOR. TOBACCO & CO.	21.5	2.82	2	68	1544	29.36	-0.00					
1.310	0.900	JOR. CEMENT FACT.	17.9	3.18	24	14750	48486	4.83	-0.01					
10.550	8.720	JOR. PETRO. REFINERY	4.2	8.66	10	678	6293	9.23	-0.01					
8.170	6.420	JOR. WOODSTOCK HILLS	8.9	3.60	2	880	2648	6.03	-0.00					
8.210	5.100	SANAA PAPER	10.8	0.00	10	18800	68885	3.11	-0.00					
4.450	3.650	JOR. CERAMIC IND.	7.8	4.07	1	520	5853	6.20	-0.01					
2.600	1.180	JORDAN BANK	12.9	7.16	1	930	10280	2.18	-0.01					
8.900	4.750	JOR. ALUMIN. IND.	13.4	13.4	12	4700	16248	4.65	-0.00					
5.800	3.170	ARAB ALUM. IND.	8.4	8.82	4	640	7208	3.38	-0.00					
1.740	0.450	LIVESTOCK & POULTRY	0.0	0.00	24	51350	26684	0.82	-0.01					
1.900	1.060	ARAB PAPER CONT. IND.	8.8	8.18	22	9050	11125	2.28	-0.01					
1.220	0.640	NATIONAL IND.	10.1	8.82	10	22000	14307	0.77	-0.00					
1.170	0.850	INTERNAT. PETRO. CHEM.	0.0	0.00	7	3500	4460	1.00	-0.00					
1.170	0.850	JOR. POLYMER-CHAM	0.0	0.00	9	2350	7517	0.90	-0.01					
4.850	2.650	RYTEL CHEM. WTR. PFACT.	10.0	0.00	3	2858	7217	0.90	-0.01					
1.980	0.830	JOR. POLYMER-CHAM	0.0	0.00	9	2350	7517	0.90	-0.01					
2.220	1.080	ARAB PAPER CONT. IND.	8.8	8.18	22	9050	11125	2.28	-0.01					
1.820	1.150	KANUN INVEST.	0.0	0.00	69	30000	38122	1.00	-0.01					
3.420	2.750	UNIV. HOUS. IND.	5.8	10.11	24	23620	12874	1.38	-0.01					
2.170	1.140	JOR. IND. RESOURCES	18.3	0.00	96	27550	40487	1.43	-0.00					
1.800	0.950	JOR. NEW CABLE CO.	28.0	0.00	10	900	923	2.01	-0.00					
2.460	1.780	EL. WTR. READY WEAR	0.0	0.00	10	4950	3188	1.88	-0.00					
1.490	0.890	INTL. TOBACCO	28.0	0.00	31	17740	21121	1.18	-0.01					
2.210	1.320	UNION CH. & VEG.	29.6	0.00	26	31000	37937	1.17	-0.00					
INDUSTRIAL SECTOR TOTALS										INDEX: 104.46	CHANGE: -0.37	455	261852	409316
GRAND TOTAL										INDEX: 136.80	CHANGE: +0.22	618	435072	712921
PARALLEL MARKET SHARE PRICE LIST FOR SUNDAY 04/08/1996														
0.940	0.510	GENYAT. CON. PORTFOLIO	24.1	0.00	9	7250	4316	0.57	-0.00					
0.810	0.520	JOR. TRASH PACT.	0.0	0.00	5	3500	1248	0.53	-0.00					
0.780	0.700	UNION INV. F.N.	66.9	0.00	22	37200	8568	0.70	-0.00					
1.200	0.530	ARAB PTA. INV. F.N.	0.0	0.00	6	1000	926	0.88	-0.00					
0.640	0.340	JOR. LINDA. INVESTMENT	0.0	0.00	2	2400	874	0.38	-0.00					
0.970	0.510	ARAB FOOD & VEG.	0.0	0.00	1	200	120	0.57	-0.00					
1.800	1.370	NATL. CHARLOTTE	0.0	0.00	5	920	1256	1.42	-0.00					
0.750	0.520	ARAB INTL. INV. F.N.	0.0	0.00	2	200	120	0.57	-0.00					
1.100	0.510	ARAB HOTEL DEV. F.N.	0.0	0.00	16	20921	13309	0.64	-0.01					
1.080	0.770	JORDAN STEEL	0.0	0.00	14	951	6250	0.79	-0.00					
0.640	0.450	ARAB ELECT. IND.	0.0	0.00	1	800	405	0.45	-0.00					
0.770	0.480	UNION PETRO. CHEM.	0.0	0.00	4	10260	9490	0.73	-0.01					
1.170	1.100	UNION TOBACCO 751	0.0	0.00	3	1020	621	1.15	-0.00					
0.880	0.440	UNION PETRO. CHEM.	0.0	0.00	17	21750	12816	0.77	-0.00					
1.460	0.770	UNION PETRO. CHEM.	0.0	0.00	7	6590	5138	0.79	-0.00					
0.970	0.640	NATL. PETRO. CHEM.	0.0	0.00	17	3500	1248	0.53	-0.00					
1.500	0.530	UNION PETRO. CHEM.	0.0	0.00	74	225800	16							
GRAND TOTAL										INDEX: 136.80	CHANGE: +0.22	618	435072	712921

* : New 12 months low
* : Stock dividends during the past 12 months
* : Listed during the past 12 months
P : P/E ratio is 100 or more
N : Negative P/E
* : Trading is zero or N/A for the most recent year

Morceli wins gold, Canada win sprint relay

ATLANTA (R) — Algerian middle-distance king Noureddine Morceli won his first Olympic gold medal Saturday's final day of track action at the Atlanta games which saw an unprecedented defeat for a U.S. sprint relay team.

Morceli, three times world champion at 1,500 metres and world record-holder, finally claimed the Olympic title he needed to complete his glittering career with a comfortable win after his main rival, Moroccan Hicham El Guerrouj, fell.

But the main drama on the track was reserved for the men's 4x100 metres relay with the Canadians, anchored by 100 metres gold medalist Donovan Bailey, handing the U.S. men their first Olympic defeat in a face-to-face sprint relay.

The Americans have won every 4x100 in the games except in 1912, 1960 and 1988 through disqualifications and in 1980 when there was a U.S. boycott of the Moscow Olympics.

This time they were beaten fair and square on the

track by a better team, the Canadians roaring to the sixth fastest time ever of 37.69 seconds with the U.S. second in 38.05.

Michael Marsh, who ran the U.S. third leg after Jon Drummond and Tim Harden before handing to Dennis Mitchell, said sadly afterwards: "To be blunt, we were barbecued."

The Americans came to the race amid controversy, leaving out Carl Lewis despite intense speculation he would run in order to get a record 10th Olympic gold.

Bailey, who led the same team of Robert Esmie, Glenroy Gilbert and Bruny Surin to the world title last year after the Americans were disqualified in the heats, said: "All we heard about was Carl winning his 10th medal."

"I think that made us get a little. We were underdogs again. We never got respect for being world champions. We never got a mention."

Morceli was leading his race coming into the bell when Guerrouj, tucked in

close behind him, suddenly fell to the track, spiking the Algerian in the right leg.

But Morceli appeared unhindered and raced away on the final lap to win in three minutes 35.78 seconds with defending Olympic champion Fermin Cacho of Spain taking silver almost a second behind.

Cacho was slowed when he was forced to hurdle over Guerrouj, the silver medalist behind Morceli at last year's World Championships, and said he had no chance to catch up. The Moroccan rose to his feet and continued but finished last.

"This is more special than anything else I have achieved," Morceli said. "I missed one thing — an Olympic medal — and now I am happy."

Of the incident with Guerrouj, he added "he stepped on my foot and fell down. I feel very sorry for him."

The men's 5,000 metres was won by Morceli's former arch-rival over 1,500 metres, Venuste Niyongabo who earned a first Olympic



Noureddine Morceli carries the Algerian flag in a victory lap as he celebrates his gold medal win in the men's 1,500m final at Olympic Stadium Sunday. Fermin Cacho of Spain won the silver medal and Stephen Kipkorir won the bronze (Reuter photo)

gold for war-torn Burundi. Niyongabo, who had never raced the 5,000 metres before this season, broke away from the pack on the

final lap to win in 13 minutes 7.96 seconds with Paul Bitok of Kenya chasing hard to repeat the silver he won in the Barcelona games four years ago.

"It was a tough choice between the 1,500 metres and the 5,000," he said. "But it was a good choice for my country. I'm sure this will be a great thing there. I would like to devote my medal to peace in my country."

There were spectacular wins in the women's events for Russian Svetlana Masterkova and Bulgaria's Stefka Kostadinova.

Masterkova, back on the track after a three-year break during which she gave birth to a daughter, won the 1,500 metres in style to complete the first 800-1,500 metres double since Soviet athlete Tatyana Kazankina achieved it in 1976.

World champion and world record-holder Kostadinova cleared 2.05 metres in the women's high

jump to win her first Olympic gold before failing with three attempts at 2.10 metres, one cm higher than her record.

Czech Jan Zelezny became the first men's javelin thrower to retain an Olympic title since Finn Jonni Myrja in 1924, his second effort of 88.16 metres beating early leader Steve Backley of Britain who won silver with a first throw of 87.44.

The U.S. won the women's sprint relay with Gail Devers, winner of the 100 metres title, taking a fourth career Olympic gold.

Jamaica finished third, giving veteran Merlene Ottey her third medal of the games and taking her career tally to seven, equalling the record for a woman set by Australian Shirley Strickland and Pole Irena Szewinska.

The U.S. also won the two 4x400 metres relays, the men beating Britain for gold in a tight tussle and the women holding off Nigeria.



The Canadian men's 4x100 relay team — Robert Esmie (right), Glenroy Gilbert (left), Bruny Surin (2nd right) and Donovan Bailey — show a wide range of emotions following their victory in the Olympic Stadium Sunday. The Canadian team won the event with a time of 37.69 (Reuter photo)

Agassi ready to respond to 2000 call

ATLANTA (R) — Andre Agassi, overjoyed after winning a gold medal, has promised to fly the U.S. flag if asked at the 2000 Olympics in Sydney, regardless of how many other big names join him.

Agassi described listening to the U.S. anthem after his victory Saturday as "the greatest accomplishment I've had in this game" and indicated he would be keen to defend his title in Sydney.

"If, four years from now, the country calls on me, that's where I'll be," said a proud Agassi, insisting his major rivals would one day regret not competing in Atlanta, where the tournament lacked many of the big names on the tennis circuit.

"I do find it a little disappointing that more people weren't here, just based on the fact I think the Olympics deserves a bit more respect and attention."

"To win a gold medal is what it's all about. If you can't come here and give everything to win a medal for your country, I think you're really missing out."

"I will never forget what this game gave me today."

Agassi admitted his impressive straight-sets thrashing of Spain's Sergi Bruguera 6-2 6-3 6-1 to win the Olympic gold, while Bruguera took the silver (Reuter photo)

After the match I gave him a chance to get closer to the gold than he ever managed," smiled Agassi.

"It was a surprise for me to have him here...I think he didn't want to let me know he was coming which was probably just as well."

"He used to tell me the Olympics are a once in a lifetime thing. It's something he's never forgotten and something that, now, I'll never forget."

Agassi's form, which has ranged from patchy to abject in recent months, has finally been restored after several weeks of hard work following his return from



USA's Andre Agassi shows his emotion after receiving the gold medal for the men's singles tennis event at the Centennial Olympics Saturday. Agassi beat Spain's Sergi Bruguera 6-2 6-3 6-1 to win the Olympic gold, while Bruguera took the silver (Reuter photo)

Wimbledon, where he lost in the first round.

The U.S. Open later this month is now firmly within his sights, even though he will be playing for himself rather than his country.

"The emotion of playing for your country helps you dig deeper than I think I might have been able to normally," he admitted.

"But this level of tennis is what I expect from myself which is why it frustrates me so much when I'm not there. This is certainly a clear example of what I can do with my game if I can just get my confidence and work ethic right."

Longo, 37, was still satisfied with her performances at the games, particularly her road race victory.

Only two months ago she was nursing broken ribs and ignored her doctor's advice not to train for a month.

"That is why I am satisfied with what I have achieved in Atlanta," she said.

"My legs felt heavy and with the heat it was difficult, especially when I realised that there was only three seconds between me and Zabrirova. Then I knew that it would be hard to win."

Longo now plans to train for the women's Tour de France starting on Aug. 13, and an attack on the world hour record.

"It depends on my motivation," she said.

Indurain and Zabrirova strike gold

ATLANTA (R) — A Spanish cycling colossus and a little-known Russian struck gold in the inaugural Olympic time trials Saturday.

While Miguel Indurain added the Olympic gold to his world title to underline his time trial talent, 22-year-old Zulfia Zabrirova surprised everyone — including herself — in the women's event.

She beat the queen of cycling, Jeannie Longo of France, whose credentials included the Olympic road race gold and 10 world titles.

"It is just beginning for me. I feel wonderful," said Zabrirova.

"I cannot believe that I have won. I thought maybe second or third. I was nervous waiting for the others to finish."

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Russia's Zulfia Zabrirova poses with the gold medal after her victory in the women's cycling individual time trials at the Centennial Olympic Games in Atlanta Sunday. Zabrirova won with a time of 36:40 (Reuter photo)



MEDALS TABLE

Medals table after the 15th day of competition at the Atlanta Olympics

Country	Gold	Silver	Bronze
United States	42	32	25
Russia	26	20	14
Germany	18	16	27
China	16	22	12
France	15	7	14
Italy	12	8	11
Australia	9	9	20
S. Korea	7	13	5
Cuba	7	7	8
Poland	7	5	4
Ukraine	7	2	11
Spain	5	6	5
Hungary	5	4	9
Romania	4	7	8
Greece	4	4	0
Switzerland	4	2	0
Denmark	4	1	1
Turkey	4	1	1
Canada	3	10	8
Bulgaria	3	6	5
Japan	3	6	5
Netherlands	3	5	10
Czech Rep.	3	3	4
Brazil	3	2	9
New Zealand	3	2	1
Ireland	3	0	1
Kazakhstan	2	3	4
Belgium	2	2	2
Nigeria	2	1	3
N. Korea	2	1	3
Norway	2	1	3
S. Africa	2	1	1
Algeria	2	0	1
Ethiopia	2	0	1
Britain	1	8	7
Belarus	1	6	8
Kenya	1	4	2
Jamaica	1	3	2
Sweden	1	3	2
Finland	1	2	1
Indonesia	1	1	2
Iran	1	1	1
Yugoslavia	1	1	1
Armenia	1	1	0
Portugal	1	0	1
Slovakia	1	0	1
Burundi	1	0	0
Costa Rica	1	0	0
Ecuador	1	0	0
Hong Kong	1	0	0
Syria	1	0	0
Argentina	0	2	1
Slovenia	0	2	0
Namibia	0	2	0
Austria	0	1	2
Malaysia	0	1	1
Uzbekistan	0	1	1
Azerbaijan	0	1	0
Bahamas	0	1	0
Latvia	0	1	0
Taiwan	0	1	0
Croatia	0	1	0
Philippines	0	1	0
Zambia	0	1	0
Georgia	0	0	2
Morocco	0	0	2
Trinidad	0	0	2
India	0	0	1
Israel	0	0	1
Lithuania	0	0	1
Mexico	0	0	1
Mongolia	0	0	1
Mozambique	0	0	1
Moldova	0	0	1
Puerto Rico	0	0	1
Thailand	0	0	1
Tunisia	0	0	1
Uganda	0	0	1

TODAY AT	CINEMA TEL: 634144 PHILADELPHIA Michael Dougllass & Annette Bening ... in The American President Shows: 12:30, 3:30, 6:15, 8:30, 10:30	CINEMA TEL: 699286 PLAZA Adel Imam stars in Sleeping in Honey (Arabic) Shows: 12:30, 3:30, 6:30, 8:30, 10:30 Toy Story 5:00 p.m.	CINEMA TEL: 677420 CONCORD CONCORD "1" Jim Carrey & Jeff Daniels Dumb and Dumber Shows: 12:30, 3:30, 6:15, 8:30, 10:30 CONCORD "2" BRAVEHEART Shows: 3:00, 6:00, 9:00	Amman Theatre & Cinema TEL: 616274, 618275 Today presents Zawad Weld Awad theatre group in the play entitled Five-Star Government Starring comedians: Mahmoud Salmeh & Hussein Tubeishat play starts 8:30 p.m.	Nabati's Moham's Theatre TEL: 626151 PRESENTS THE SATIRICAL COMEDY Arab Human Rights at 8:30 p.m. For reservation please call 625155 - 640155
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Mohammad Ali gets back medal

ATLANTA (R) — Mohammad Ali gave the Atlanta Olympics a moment of dignity and raw emotion for the second time Friday when he was presented with a gold medal to replace the one he won at the 1960 Rome Olympics.

The former World Boxing Champion, now suffering from debilitating Parkinson's syndrome, was given the medal at a formal ceremony by International Olympic Committee President Juan Antonio Samaranch during the games basketball final.

It was Ali's second appearance at the games. The first was a magical moment of sheer theatre as he suddenly stepped forward out of the shadows at the opening ceremony to take the Olympic torch and light the flame that burns throughout the games.

No-one there that night nor many watching on television will forget that moment. And neither will those at the Georgia Dome Friday as the frail and trembling man shuffled towards the centre of the court.

The presentation was held at halftime in the U.S. dream team's gold medal match against Yugoslavia and the 35,000-strong crowd rose to their feet to cheer the man known simply as "the greatest."

His face barely showed any emotion but Ali raised both arms in the air to acknowledge the cheers.

Many had tears in their eyes as Samaranch hung the medal round his neck. Ali kissed the IOC president on both cheeks and then kissed the medal, a replica of the one he tossed into the Ohio River in disgust after he and a friend had been chased away from an all-white restaurant.

But it was only when the dream team basketball

players surged towards him and hugged him that Ali's face burst into the big, wide smile of delight that used to come so readily during the height of his career.

Ali, dressed casually in a blue shirt and brown trousers, also posed with the Yugoslavia team for photographs and blew kisses to the crowd.

Dream team player Arnette Hardaway summed up what many in the crowd were feeling. "I think when Mr. Ali came out the emotions were shown for everything he did back then. He got the applause he deserves for all the struggle he had to through back there."

"He's still the greatest in our hearts."

Team mate Reggie Miller said: "For African Americans he's a role model for a lot of guys on our team. To get to touch him gave me a lot of joy. He's the greatest champ of all time. To be in arm's reach was very special."

Coach Lenny Wilkens said: "He's the most principled man I've ever met. He had the courage of his convictions in a very difficult time. People today recognise that and were certainly very proud of him."

Ali used his fame as a boxer to become a symbol of black pride and a voice for the oppressed.

He became a Muslim after winning the world heavyweight title as Cassius Clay in 1964 and refused to fight in the Vietnam War. He was stripped of his title but this only served to increase his standing among blacks.



Former American boxing great Muhammad Ali struggles to raise his arms to acknowledge the applause Sunday after he was given an Olympic gold medal by IOC President Juan Antonio Samaranch to replace the medal he won in light-heavyweight boxing 1960 (Reuters photo)

Zelezny to try baseball after winning javelin title

ATLANTA (R) — Czech Jan Zeleny became the first man to successfully defend a men's Olympic javelin title for more than 70 years in Atlanta Saturday and announced he was ready to turn his arm to a local speciality — baseball.

The 30-year-old world record holder launched a huge second throw of 88.16 metres to achieve the feat for the first time since Janni Myrta won the title at successive Olympics in 1920 and 1924.

Afterwards Zeleny confirmed he was to have a trial as a pitcher for reigning World Series champions the Atlanta Braves after the games.

The team are based in Fulton County Stadium, just a Zeleny javelin throw away from the Olympic Stadium.

"I am going to try it out on Aug. 7. I am looking forward to it. I like trying something new," the Czech said. "Am I serious? Why not? I would like to know what I can do."

Britain's Steve Backley, who took the silver in the competition with an opening effort of 87.44, was quick to wish him luck.

Javelin throwing without Zeleny would make life easier for the Briton.

"I hope he makes it," said the 1992 Barcelona bronze medalist. "I planned to go big in the first round. I thought it might shake the big fella but it was not quite enough."

Backley's silver medal was a major achievement just a few months after an Achilles tendon operation.

When Zeleny threw his latest world record of 98.48 in Germany at the end of May, the 27-year-old Backley was still on crutches after the operation.

Asked if he ever believed he could "bounce" back to win a silver at the Olympics, the Briton said: "I never doubted I would be here but I thought a medal was a long shot."

"It was tough being on crutches and looking at the distances people were throwing. It makes all this so much better in the end."

Denmark upset S. Korea for gold in handball

ATLANTA (R) — Denmark upset twice Olympic champions South Korea with a win in extra time to capture the women's handball gold medal Saturday after a furiously fought encounter.

"I think all of us dreamed of this, but we didn't dare to believe it could happen because the Koreans are so strong," coach Ulrik Wilbek said after Denmark had won 37-33 and ended a South Korean string of victories stretching back to the Seoul Olympics in 1988.

South Korean coach Chung Hyung-Kyun admitted he could not remember the last time his team was beaten in international competition.

Hungary earlier won the bronze, beating Norway 21-18.

Wilbek said he made the decision to concentrate on defence after he sensed the South Korean side were over-extending themselves.

U.S. win basketball gold; Yugoslavs make it a contest

ATLANTA (R) — Dream team III won their gold medal, but not without a fight from Yugoslavia.

"We did what we needed to do," said power forward Karl Malone. "We won the gold medal and that is what matters."

The Americans finally broke free in the second half for a 95-69 victory Saturday while Yugoslavia, with a silver medal, won the real competition below the unbeatable U.S. NBA all-stars. Lithuania took the bronze, beating Australia.

The Yugoslavs led for much of the first half, trailed by five points at half-time and were just one point down with 14:03 to go before the Americans, led by San Antonio Spurs centre David Robinson, embarked on one of their familiar second-half runs to pull away.

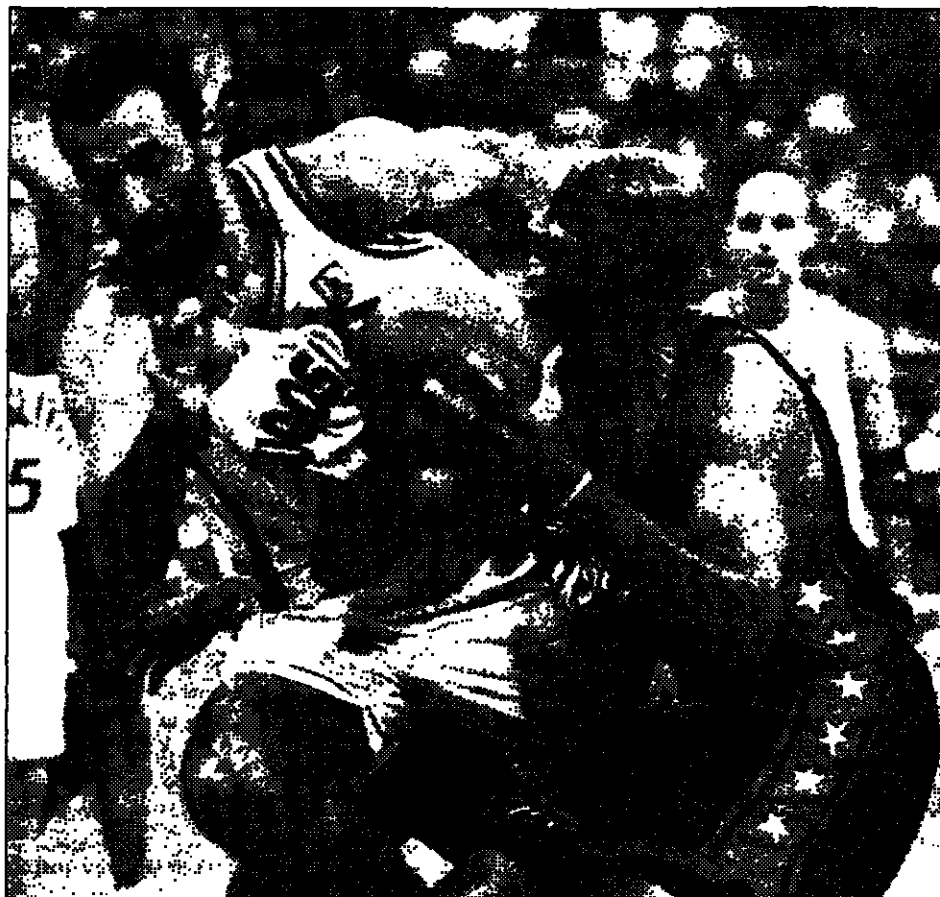
Robinson scored 28 points, 10 of them in the key 28-5 burst, and Reggie Miller had 20 points in a battle of the last two undefeated teams in the Olympic basketball tournament.

"Any one of these guys could have stepped up, that is why they call this a dream team," said Robinson. "I am glad it was my opportunity tonight. It was a lot of fun."

"We were a little bit tight in the first half and I could tell we needed a spark and I just tried to come off the bench and give us that."

In a game that saw a lot of complaining to the referees, Charles Barkley's fifth and final foul was a technical: "I was thrown out of the game because I said, 'what country are you from, Yugoslavia?'"

The Americans eventually were able to show off their dazzling alley-oop passes and two-handed stuffs and



USA "Dream Team" forward Charles Barkley (right) drives into Yugoslavia's Vlade Divac, forcing Divac to stumble during the first half of their Olympic gold medal game in Atlanta, Sunday. Divac fouled out of the game early in the second half (Reuters photo)

finally excite a home crowd nervous that this dream team would not bring home a gold medal the way the originals in 1992 did.

Yugoslav centre Vlade Divac, an NBA veteran recently traded from the Los Angeles Lakers to the Charlotte Hornets, fouled out with 15:20 left in the game, and that was the turning point against the deeper, bigger, faster U.S. team.

"We had a great, wonderful tournament, even though we lost by 20 in this game," said Divac. "My teammates played great."

"This is my last time play-

ing for Yugoslavia. I have my citizenship application in. It's nothing against Yugoslavia but going back and forth is too tough. I'm proud of the silver."

The silver medal was satisfying for the Yugoslavs, barred from the 1992 Barcelona games because of the war that tore their country apart.

"We came out to show everybody that Yugoslavia can play great basketball and the entire world was able to see it," said coach Zelimir Obradovic. "The Americans played a great game. This was a very big

game for Yugoslavia."

Lithuania held on for a tough 80-74 victory over Australia and their second successive bronze.

The giant veteran Arvydas Sabonis led all scorers with 30 points and had a game-high 13 rebounds.

"It is great for Lithuania, we are happy we won," said Sabonis, who played for the Portland Trail Blazers last season.

"It is just like the last Olympics for us. Four million people in our country will see third place in basketball as a good victory, so we are very happy."

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'Lebanon-first' to dominate King's talks with Netanyahu

By Randa Habib
Agence France Presse

AMMAN — King Hussein was set to meet Prime Minister Benjamin Netanyahu here on Monday after floating the Israeli leader's "Lebanon-first" option to Syria.

The King, who met with Syrian President Hafez Al Assad in Damascus on Saturday, insisted on his return he was not carrying any message from Mr. Assad to Mr. Netanyahu.

He added that he had not sensed "a shift in the position of Syria, which reiterated its commitment to a just and comprehensive peace."

Before the meeting, on the first visit by King Hussein to Syria for two years, Jordanian officials said Mr. Netanyahu's "Lebanon-first" option to kickstart the stalled Middle East peace process would top the agenda.

Under the terms of the proposal Israel and Syria

would break the six-month deadlock in their peace negotiations by agreeing on a settlement in Lebanon where both countries have troops.

Israeli press reports said Mr. Netanyahu outlined the Lebanon-first option to King Hussein during a secret meeting in London 10 days ago, and asked the King to mediate with Syria.

Amman has made no official comment on the proposals, but an authoritative Jordanian source described the option as "good."

He said Jordan's understanding of the deal was that Israel would "withdraw unilaterally" from the border strip it has occupied in South Lebanon since 1985, and that "after four months it will discuss security with Syria."

Damascus, the main foreign power broker in Lebanon where it maintains a force of 35,000 troops, publicly rejected the option on Saturday with official

radio calling it an attempt to "sow divisions between Syria and Lebanon."

Syrian political sources also told AFP that Mr. Assad wants a "clear Israeli commitment" to withdraw from the strategic Golan Heights, which the Jewish state seized from Syria in the 1967 Middle East war.

Jordanian officials said the Kingdom considered Mr. Netanyahu's visit on Monday as "very important," adding that the two leaders would discuss "all aspects of the peace process."

Mr. Netanyahu's visit comes after the Israeli government on Friday announced plans to ease the restrictions on expanding Jewish settlements in the Palestinian territories.

Jordan has not officially reacted, but members of unions and political parties are planning to protest the move by holding a sit-in Monday to coincide with Mr. Netanyahu's visit.

Ministry seeks to curb 'unauthorised' hikes in prices of eggs, chicken and milk

By Samir Hijawi
Special to the Jordan Times

AMMAN — The government's decision on Thursday to raise the prices of fodder by 37 to 90 per cent has led to an immediate 10 to 15 per cent rise in the prices of table eggs and chicken. Producers of dairy products also decided unilaterally to raise the price of a litre of milk from 230 fils to 300 fils without referring to the Ministry of Supply, which fixes the prices of food items.

In an interview with the Jordan Times, Ministry of Supply Secretary General Ahmad Kreishan said the decision by milk producers to increase prices of their products was not discussed with or cleared by the ministry. He said a meeting with cattle breeders and dairy products producers was scheduled for Monday to discuss the impact of the increase in fodder prices on cattle breeders and milk producers. "Raising the prices can only be authorised when a thorough study on the actual production cost and profit margin is undertaken," Mr. Kreishan said.

Director General of the Jordan Dairy Products Company Nimr Hammad told the Jordan Times that cattle breeders had sustained losses from the rise in the prices of fodder.

"It is high time for them to prepare a thorough study on actual production costs to discuss with the Ministry of Supply," he said. He said milk producers will demand equal price increases or the floating of prices of their products if

the government decided to raise prices of milk or other milk products.

Mr. Hammad said the current prices of milk products were not fair, adding that a 20 fils increase in the prices of milk six months ago was not matched by a similar increase in prices of milk products. This, he said, cut the margin profit by 50 per cent, thus "putting us in a critical situation in view of the rising production costs."

Fodder prices came under discussion at Sunday's session of the Lower House of Parliament, which was dedicated to debating the government's subsidy to wheat, bread and fodder.

In a statement before the House, Prime Minister Abdul Karim Kabariti said the government's decision to lift subsidy on wheat and fodder aims to stop wastage and smuggling of such items and reducing a budget shortfall, which he said, will increase from 3.8 per cent to 6.8 per cent if prices remain at their present levels.

Explaining his government's measures to support citizens, Mr. Kabariti said the government will give cash assistance of JD 1.28 per month per citizen to make up for the rise in bread prices and JD 6 per each head of goats or sheep up to 100 heads.

He noted that the government will allow the private sector to import and sell livestock in accordance with the ceiling allowable by the Ministry of Supply.

Deputies, even those supporting the government, Sunday criticised the government's decision to raise bread and fodder prices.

However, their criticism was not tantamount to the rejection of the government's decision. They called for a gradual rise in prices.

Deputy Abdul Raouf Al Rawabdeh, a former deputy prime minister who spoke on behalf of the National Front, which groups the national coalition parties, the Progress and Justice Party, al Yaqatha and Al Watan parties, said citizens were living in a "state of frustration caused by internal and external factors, which cannot be blamed on any single Jordanian government. He cited the dwindling hopes for a just peace and dividends of peace, the economic recession, and rising unemployment and rising poverty as some of these factors.

Mr. Rawabdeh suggested that the rising prices be gradual over a three-year period. He called for increasing salaries and wages of low income people.

He suggested that bread price be raised to 150 fils per kilo and called on the government not to cover the difference between the present and the suggested prices. Several deputies made similar suggestions.

Deputy Hamzeh Mansour, spokesman of the Islamic Action Front (IAF), said the government's decision does not only cover bread but also all items made of wheat. Last Thursday the government passed a decision raising the prices of bran by 90.5 per cent, barley by 41 per cent and corn by 37.9 per cent.



The car bearing the coffin with the body of former Somali warlord Mohammad Farah Aideded arrives for burial in southern Mogadishu August 2. Hussein Aideded, the slain leader's 35-year-old son and former United States Marines soldier, was chosen 'president' of Somalia on Sunday, a pro-Aideded radio station said from the stronghold of south Mogadishu (Reuters photo)

Aideded's son is elected his successor Yemen, Arab League offer to host reconciliation talks

MOGADISHU (Agencies)

The faction of slain warlord Mohammad Farah Aideded on Sunday elected his son Hussein, 35, to succeed him, the faction's radio station reported.

Hussein Aideded served in the U.S. Marines and was sent to Somalia with a U.S. intervention force which eventually withdrew in 1994 after being humiliated by his father's militiamen, who dragged the bodies of slain U.S. soldiers through the streets.

He was appointed to conduct liaison between his father and the U.S. troops but was eventually sent back to the United States when his position became politically untenable.

He succeeds his father as "president of Somalia" — a position not recognised by the outside world — and becomes head of the United Somalia Congress/Somalia National Alliance.

His father set up a "government of Somalia" in June last year, and appointed six vice-presidents and 93 ministers.

Abdul Rahman Ahmad Ali "Tuur," Aideded's first vice-president, had previously been tipped as front-runner to succeed the deceased general.

Hussein Aideded, who

was previously head of the faction's security committee, will serve the remainder of his father's three-year term as "president," the radio said. He is entitled to extend that term by two years if conditions dictate.

General Aideded died Thursday night, a week after being wounded in a battle in south Mogadishu. Fighting in Mogadishu in July alone claimed some 150 lives.

Warlord Ali Mahdi Mohammad, who controls the north of the city, declared a unilateral ceasefire following news of his rival's demise, and the militiamen of Osman Hassan Ali "Atto," Aideded's former financier-turned-bitter-enemy, also held their fire.

Despite the lull in hostilities in the capital, fighting was reported Sunday when the Rahanwein clan announced the recapture of Hoddur, some 350 kilometres northwest of Mogadishu.

A Rahanwein resistance army spokesman said the clan's militiamen had recaptured the town after a battle with militiamen of Aideded's faction, but other sources said Aideded's men had abandoned the town and fled.

They had taken it from Rahanwein last February.

The Rahanwein spokesman said their forces had killed 50 opposing militiamen, wounded seven and destroyed two pick-up trucks mounted with heavy machine guns or similar weapons.

Sixteen Rahanwein clansmen were killed and 19 were wounded, he said. Spokesmen for Aideded's faction were unavailable for comment, while the faction's radio station was broadcasting verses from the Koran and tributes to Aideded.

Another battle was looming Sunday for the strategic inland town of Baidoa, close to Hoddur and the main centre of the fertile Juba River valley.

Aideded captured Baidoa from the Rahanwein clan in September at the head of a column of 600 men, but retired Major General Mohammed Nur Galal said Rahanwein militiamen in north Mogadishu were streaming back to the front and were expected to make a bid soon to recapture Baidoa too.

The Yemeni government on Sunday called on warring Somali factions to bury their differences and to hold a reconciliation meeting in Sanaa.

"We call on our Somali brothers to stop their confrontations and to stick to dialogue to solve their conflicts," said a Yemeni official quoted by the official SABA news agency.

"The Yemeni government calls on all the Somali leaders to hold a meeting of reconciliation in Yemen in the presence of representatives of Arab countries so as to bring peace to Somalia," he added.

The Arab League urged Somalis to work out a peaceful settlement following the death of Aideded and also offered to host negotiations to end the fighting.

The 22-member Arab League issued a statement calling on the 16 main Somali clans to work together to end the suffering of Somalia's eight million people. Somalia is a member of the league.

"We call on all the Somali factions to rise above their tribal fights and renounce all violence and factional fighting and choose dialogue to find a national settlement framework," the statement said.

"We offer again to host a national Somali peace conference in (league) headquarters or any other place the Somali faction leaders chose," it added.

Kuwait assembly chief rejects Arafat's appeal for normalised relations

KUWAIT (Agencies)

Kuwait's parliament speaker has rejected a call by Palestinian leader Yasser Arafat to put aside grudges over the 1991 Gulf war, saying Mr. Arafat was to blame because he welcomed the crisis, newspapers reported on Sunday.

Speaker Ahmad Sadoun dismissed Mr. Arafat's call for Kuwait to restore ties with the Palestine Liberation Organisation (PLO) and take back Palestinians expelled from Kuwait in the crisis, newspapers reported.

Referring to Mr. Arafat, Mr. Sadoun told parliament on Saturday: "To those who discovered their mistakes after six years and come now to demand the return of 400,000 Palestinians to Kuwait, we send this message: Your apology is rejected because you welcomed the war."

"We refuse your request for \$12.5 billion in compensation from Gulf Cooperation Council (GCC) states."

"Arafat now wants to accept that he was wrong to take Iraq's side during the invasion (of Kuwait). We reject his apology," Mr. Sadoun told the parliament.

Mr. Arafat last month criticised Kuwait for expelling thousands of Palestinians because of his "mistake against Kuwait" following Iraq's invasion in August 1990. He urged Kuwait to let bygones be bygones and said Palestinians in Kuwait lost more than \$12 billion during the crisis.

Kuwait, a member of the six-country GCC economic and military alliance, was angered by Mr. Arafat's sympathy for Baghdad during Iraq's seven month occupation of Kuwait in 1990-91 and severed ties with the PLO.

Mr. Arafat now says he opposed the occupation. Palestinians in Kuwait say over a third of the 300,000 to 400,000-strong Palestinian and Jordanian community fled Kuwait during Iraq's occupation in fear of mounting lawlessness.

After the war over 200,000 were coerced into leaving or expelled outright amid hostility from Kuwaitis who suspected them of disloyalty. Their return has been blocked by Kuwait. Kuwait's Palestinian community is now under 30,000, diplomats say.

Israeli officer accuses border policemen of brutality to Palestinians

TEL AVIV (AP)

An Israeli reserve army officer accused the border police on Sunday of "brutal and degrading" treatment of Palestinians during security checks.

Lieutenant Colonel Hagai Gai, who has just completed a tour of duty in the West Bank, told Israel Radio he was "ashamed to be in uniform" when he saw how border police treated Palestinians during routine identity checks.

"He is made to stand with his face to the wall, with his hands up, his legs are kicked apart," Lt-Col. Gai said. "His face is wiped on the wall so that he gets scratched. A policeman comes from behind and hits him on the back with a flare pistol, which is a big chunk of metal."

The border police is a paramilitary force that together with the army is responsible for security duties in the West Bank and Gaza Strip. Border police have always had a reputation for toughness.

Lt-Col. Gai, 45, who described his own political beliefs as "right-wing," said the border police behaved as though Israel

had never signed peace agreements with the Palestinians, treating every Palestinian as a potential terrorist.

"Most of them have nothing to do with terror and are just trying to earn a living for their families," he said.

Border police commander Major-General Israel Sadan told Israel Radio he would investigate the incidents described by Lt-Col. Gai and prosecute any policeman found to have broken the law or regulations.

He said the border police had borne the brunt of the Palestinian uprising from 1987-1993.

Since the signing of the first Israel-Palestine Liberation Organisation (PLO) agreement in 1994, the force has been trying to re-educate its force to cooperate with the Palestinians. Gen. Sadan told Israel Radio. But he added, "human being cannot always internalise these values which we are trying so hard to inculcate."



Argentines lose \$73,000 in Atlanta hotel burglary

ATHENS, Georgia (R) — Players and officials of the Argentine Olympic soccer team lost cash and valuables worth \$73,000 when their Georgia hotel was burgled, team officials said Saturday. The robbery was discovered Friday evening when the players returned to their base in Athens, Georgia, following a training session. Ruben Moschella, an Argentine Football Association administrator, had \$45,000 in cash stolen from his room. Eduardo De Luca, who works for the South American Soccer Confederation, lost a further \$18,000 cash in the break-in, officials said. The thieves also broke in to rooms occupied by four players, including defenders Jose Chamot and Roberto Sensini, and stole valuables. Police in Athens were not immediately available to comment on the incident. Staff at the hotel declined to comment. Argentina felt they were robbed on the pitch Saturday when referee Pierluigi Collina of Italy allowed a late Nigerian winner to stand in the Olympic final.

Father's death kept secret from Korean handball player

ATLANTA (R) — The death of the father of a South Korean handball player was kept from her for six days so as not to affect her game in the Olympic final, her coach said Saturday. Chung Hyung-Kyun said he spoke with the mother of left-back Oh Seong-Ok and they decided not to inform her of her father's death until after South Korea's gold medal match against Denmark Saturday. "When I talked to her mother, she requested that I did not tell her until after this game," Chung said at a news conference. South Korea, seeking their third successive Olympic title, were beaten 37-33 by Denmark in the final, and Chung said after the heartbreaking defeat the player was being told the even sadder news. "I think she just learned (of the death)," Chung said.

Hotline to trap social security fraudsters

LONDON (AFP) — The British government will launch a telephone hotline Monday to trap people defrauding the Social Security Services, newspapers reported Sunday. The line will be part of a vast campaign against social security fraud which costs British taxpayers some £2 billion pounds (\$3 billion) a year. An advertising campaign costing £500,000 (\$750,000) with the slogan "Know of a benefit rip-off? Give us a telephone tip-off" will be aimed at getting strictly confidential information on people suspected of making unjustified claims.

Macau police brass fall prey to crime — again

MACAU (R) — The official residence of Macau's Marine and Customs Police commander was burgled — the second time in less than a year a top police officer in the Portuguese-administered territory fell prey to crime. A Macan Judicial Police spokesman said Saturday the break-in apparently took place while Commander Adolfo Esteves Sousa and his wife were out Friday night. When they returned to the mansion a check revealed several jewels, rings and pearl necklaces were missing, he said.

U.S. has devised plan to capture Karadzic in Pale, newspaper says

LONDON (Agencies)

The United States has drawn up plans for a commando raid to capture former Bosnian Serb leader Radovan Karadzic in his Pale stronghold and deliver him to the U.N. war crimes tribunal in the Hague, the Sunday Times reported.

Citing intelligence sources in both Britain and the United States, the Times said U.S. President Bill Clinton had ordered the plan but it faces British opposition and misgivings within the U.S. military.

The Pentagon's plan would involve AC-130H, MH-60G Pave Hawk and MH-53J Pave Low helicopter gunships that would fly low to escape detection.

After a barrage of heavy weapons fire to neutralise Mr. Karadzic's 2,000-strong bodyguard, the crack troops would deploy on the ground and fight off the last defenders, then seize Mr. Karadzic and fly him away, according

to the scenario described by the Sunday Times.

Mr. Karadzic would then be handed over to the international criminal tribunal in the Hague, where he has been indicted for genocide, crimes against humanity and war crimes.

British Defence Secretary Michael Portillo said Sunday: "Remember, this is not a free option. If Karadzic were to be snatched... we might sacrifice American, British, French lives." Mr. Portillo added: "The question that I am responsible for asking is how many British lives that is worth."

The plan is also opposed by U.S. military leaders including General John Shalikashvili, chairman of the U.S. Joint Chiefs-of-Staff, and the commander of the NATO-led peacekeeping force, Admiral Leighton Smith.

If this operation succeeds, however, a similar raid will be planned to arrest General

Ratko Mladic, the Bosnian Serbs' former military chief who is also the subject of an international arrest warrant issued by the war crimes tribunal. The Sunday Times said U.S. negotiator Richard Holbrooke used the threat of such a strike in talks with Serbian President Slobodan Milosevic in mid-July when he was seeking, and eventually obtained, Mr. Karadzic's withdrawal from politics.

Mostar crisis talks

Meanwhile, last ditch efforts were underway Sunday to try to avoid the European Union (EU) pulling out of Mostar after Bosnian Croats failed to meet a deadline to end their boycott of the city council.

EU officials say any withdrawal from the town they have run for two years will have serious consequences for Mostar and the Bosnian peace process as a whole.

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WASHINGTON (AFP) — President Bill Clinton signed into law Monday a bill punning foreign companies that invest in the oil and gas industries of Iran and Libya, saying the step would deny those countries funds to support terrorism. "Terrorism has many faces to be sure," Mr. Clinton said at the Oval Office. "But Iran and Libya are two of the most dangerous supporters of terrorism in the world." The Iran and Libya sanctions act penalises foreign companies that invest more than \$40 million annually